

THE CHINA WEEKLY
REVIEW
密勒氏評論報

A Weekly Newspaper Established in 1917

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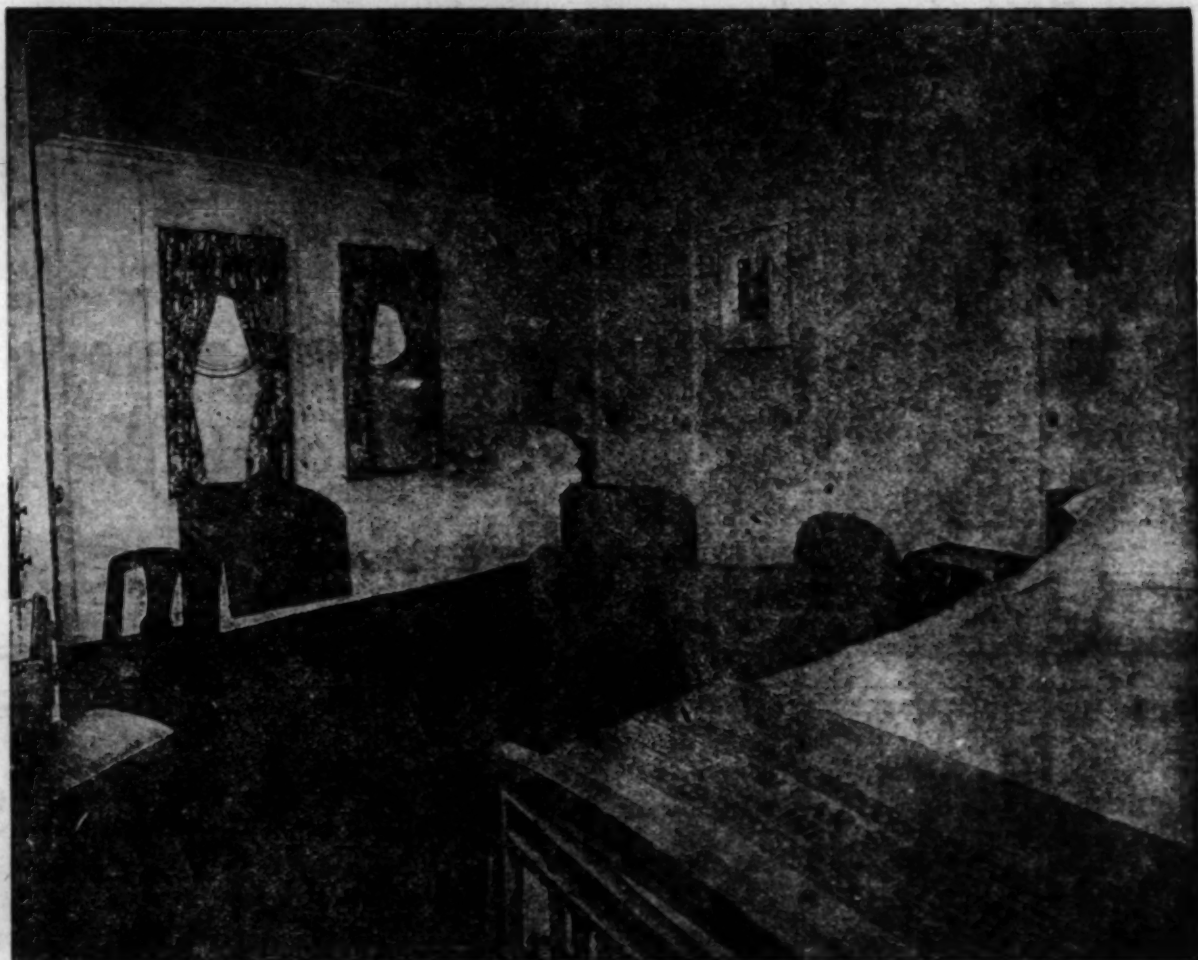
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WASHINGTON BUREAU

J. J. Underwood—Correspondent
Colorado Building, Washington, D. C.

A TRIAL FOR SEDITION IN THE PHILIPPINES

THERE is now also a trial for sedition under the American flag. Fifty-seven persons, including thirteen women, were charged at Manila January 19 with sedition as a result of an outbreak of "Colorums" at Tayug on January 11. Tomas Confesor, director of the Bureau of Commerce, says that the great majority known as Colorums are nothing more than discontented tenants writhing under exploitation by landowners, adding that the present state of things in the big plantations of Central Luzon is pregnant with danger and that conditions are ripe for communism. The outcome of the present trial will be awaited with interest. The leader of the Colorums is stated to be an educated man. Certain it is that if conditions exist in the Philippines as described, agitators who wish to see the American flag removed from the Philippine mastheads will have fertile ground to work in. It is just possible that this minor outbreak may be the precursor of more and greater ones. Let no one lose sight of the fact, and Americans least of all, that the cry from India for freedom finds an echo in every brown and yellow heart. Among all these, the Japanese are the only ones who are in an independent position, and although they look out for their own interests first in their relations with their neighbors, they are at one with them in matters where the Western world discriminates against the other races because of a real or imagined inferiority. China is coming into its own with a vengeance, India is attaining a greater degree of freedom, attained mostly through the spilling of blood—blood spilt mostly, not by the Indians, but by the alien masters in trying to make them stop asking for what they ardently desire. During the last hundred and fifty years the various Western nations gained a foothold in various parts of the eastern and southern parts of the Asiatic continent. These holdings were mostly used for economic exploitation. The first break came when the Japanese put the Russians out of southern Manchuria. The next came when the Japanese, with slight British assistance, ejected the Germans from Kiaochow. The French are suppressing free speech and agitation in Indo-China with a ruthlessness that is almost inhuman. The rumblings from the Dutch possessions become louder every day. Repression and sedition trials will not stop the cry for liberty, neither in India, nor in Indo-China, nor in the

Philippines. The problem which most of the Western nations face in their Eastern possessions today is: Shall we yield gradually and gracefully, or shall we wait until we are practically forcibly pushed out?

BELGIANS RETURN CONCESSION JAPANESE FORTIFY THEIRS

ALL of the foreign and Chinese newspapers in Tientsin published long reports regarding the ceremonies on Jan. 15 when the Belgian authorities surrendered control of their Concession in that city, but none of the newspapers apparently had sufficient courage to publish the much more significant news that the Japanese military authorities took advantage of the occasion to stage a military display in their Tientsin concession on the same day. But despite the lack of news this is exactly what happened in Tientsin on Jan. 15, the Japanese choosing the exact hour of the ceremony in the nearby Belgian concession for their military display which included the erection of sand-bag barricades and the mobilization of their defense corps, all fully armed. The motive behind this significant Japanese move was, of course, fully understood by the Chinese due to the fact that Dr. C. T. Wang, a few days prior to his departure for Tientsin had dispatched a strong note to the Japanese requesting that representatives be appointed for the purpose of discussing the rendition of the Japanese concession at Hankow. The Tokyo Foreign Office is reported to have unofficially informed Nanking that the matter of surrendering the Hankow concession was being considered and that delegates would be appointed later in the year to discuss the matter, but the Tokyo Foreign Office and the Japanese War Office are two separate organizations whose policies do not always coincide. The Japanese War Department thus took advantage of the presence of the Chinese Foreign Minister in Tientsin to stage their own independent diplomatic gesture.

While the foreign newspapers and at least one Chinese newspaper, *The China Times* at Shanghai, have minimized or even ridiculed the more or less elaborate ceremonies which were staged at Tientsin in connection with the rendition of the Belgian concession, there was no mistaking the purpose of the officials of the Nanking Foreign Ministry in placing emphasis upon the event. For those who know Tientsin there is no disguising the fact that the Belgian concession in that city is not important from the standpoint of either real estate or commerce. The Belgian concession dated back to the period immediately following the Boxer uprising when the European Powers were helping themselves to Chinese territory. The Russians had taken about everything of value on the left side of the river, but little Belgium was determined not to be crowded out entirely, so the Belgian consul on Nov. 7, 1900 announced his claim to some 240 acres of land fronting on the river for about two thirds of a mile below the then Russian concession. But after seizing the land, Belgium lacked resources for developing it; hence the area has remained practically vacant. But while undeveloped, it nevertheless remained a foreign concession under the control of a municipal body composed of Belgian subjects. As such it constituted one of the four

municipal areas in Tientsin still under exclusive foreign control, the others being the Japanese, French and Italian districts. Of the other areas, the German, Austrian and Russian concessions where surrendered to Chinese control several years ago, while the British concession, since 1927, has been jointly controlled by Britons and Chinese. As stated, by obtaining control of the Belgian concession, the Chinese have thus whittled down the foreign controlled municipal areas in Tientsin to exactly three. A dozen years ago there were eight. And while the Chinese realized perfectly well that the Belgian concession was unimportant from a commercial standpoint they did realize that the surrender of the concession was important from a diplomatic point of view; hence made the most of it. That the diplomatic gesture was not wasted was eloquently proved in the resulting action of the Japanese military authorities in Tientsin who took advantage of the occasion to stage their own little military show. Dr. C. T. Wang Minister of Foreign Affairs, in an address delivered on the occasion of the handing over of the Belgian concession made some pointed remarks regarding the close relationship existing between goodwill and trade. He declared, "The peaceful retrocession of the Belgian concession... has won for Belgium the deep gratitude and profound goodwill of the Chinese people and thus has set an inspiring precedent which, let us hope, other Powers professing friendship for the Chinese people will not fail to emulate." Dr. Wang then called attention to the fact that in recent months three foreign economic missions have visited China for the specific purpose of developing their Far Eastern markets. "But let it be reiterated that where leads Chinese goodwill there goes the Chinese market, and China's goodwill can be gained only by concrete friendly acts such as the action of the Belgians in retroceding their Tientsin concession."

As indicated in the foregoing, the ceremony in connection with the rendition of the Tientsin Belgian concession had an interesting repercussion at Nanking due to an editorial which appeared in *The China Times*, a Chinese paper at Shanghai, which ridiculed the ceremony on the grounds that the Nanking Foreign Minister by going to Tientsin and personally participating in the function had exaggerated the importance of the event. The editor of the Chinese paper, apparently not realizing the diplomatic significance of the event, or for some obscure political reason, took advantage of the occasion to publish an editorial attack on Dr. Wang. This aroused the ire of Gen. Chiang Kai-shek, head of the Government, who, in the course of an address at the weekly Kuomintang service, denounced the editor of the Shanghai paper for his ignorance. After referring to the retrocession of the British leased area and naval base at Weihaiwei and the Belgian concession at Tientsin, President Chiang explained that while both these areas were not commercially important "that great things must have small beginnings and that it was the Government's purpose to take over control of all foreign concessions during the present year." In this task there must be cooperation between the Government and the people, "hence the press must understand its responsibilities." Continuing, Gen. Chiang explained that since the press is the guardian of the rights of

the people, it must speak correctly in order that the minds of the people may be directed into proper channels. "If the press fails to represent the people and degenerates into the tool of an individual and is used for personal purposes it fails of its major purpose and while the press censorship has been raised, the Government will not hesitate to exercise its authority in the event any newspaper over-steps the bounds. Those who oppose the 'Three Principles of the People' must be classed as reactionaries and in consequence, will suffer due penalties."

The editor of *The China Times*, finding himself singled out for censure on the part of the head of the Government, published an editorial reply wherein he claimed to derive considerable satisfaction from the evidence presented that the present head of the Chinese Government "reads the newspapers." In the days of Yuan Shih-kai, the head of the Government was only permitted to see newspapers that supported his policies! The editor then proceeded to make an explanation regarding his attack on the National Foreign Minister, claiming that Dr. Wang's action in placing undue emphasis upon the return of the "worthless" Belgian concession, was likely to mislead the foreigners into the belief that China could be satisfied with small things. The editor declared that he was not opposed to the rendition of foreign concessions and likewise disclaimed the charge of harboring personal likes and dislikes in respect to government leaders. In answer to the charge that the paper had in its past twenty-four years of history experienced various changes of policy, the editor admitted that it had passed through periods of "white cloudlets" and "blue dogs" but he disclaimed responsibility for past history. In reference to present policy the editor declared that he hoped the Government would be consolidated; that the period of political tutelage would be successfully concluded; that Government officials would be faithful and honest and that they would scrupulously maintain their dignity in both statements and actions. In pursuance of this policy, the editor said that he would "unceasingly impeach corruption, attack inefficiency, correct the lawless and expose the shams."

BANDITS, BOLISHEVISM AND BAD BUSINESS

A LITTLE reflection will make it evident that the recurrence almost daily of telegrams from all parts of the world recording the trend towards Bolshevism (or to use its more polite name, Sovietism), banditry and bad business conditions, is more than a coincidence. The three subjects are very closely interrelated. It is a truism that the way to make a Conservative is to give the individual something to conserve. Conversely, the way to make a Bolshevik is to throw the individual out into the cold and make him worry where he is going to get his next meal. At no time within the memory of the past several generations have conditions throughout the world been so uncertain and so unsatisfactory as they are at the present time, barring years of actual warfare—and military campaigns loom very small in the news at the present time. Among all the countries which are experiencing hard times at present America stands out as the most pro-

minent. The conditions as the daily telegrams describe them are almost unbelievable, and certainly could not have been visualized say two years ago. Senator Norris in Washington recently flayed the oil magnate Doherty for spending a million dollars for the coming out party of his adopted daughter. "This sumptuous coming-out party," said Norris in an ex-coriating statement, "is illustrative of the inequality of American prosperity. I warn the American nation that such actions, by multimillionaires in flaunting their wealth and spending money wastefully while other men are starving and jobless may bring about something akin to revolution in the United States." The garage of the hotel where the party took place had been used a few hours earlier to feed several hundred unemployed. Point is given to the Senator's remarks by the report made public several days ago by a Congressional investigating committee which urged that steps be taken to declare the Communist party illegal in the United States. The committee estimated that the Communists in the United States number half a million. Surely, if America, while collecting huge war debts, with more gold than any other country in the world, with an exceedingly rigid immigration law, with huge natural resources, a country with a high standard of education, a country which prides itself on its organizing ability, has conditions within its borders as they exist at the present time, it can be no wonder that here in China, a country with a poor standard of education, with poor means of communication, a country which even now is not free from foreign domination, but rapidly becoming so, should suffer from banditry and the Communist menace. Here in China, and particularly in Shanghai, raids on Reds are almost of daily occurrence. The Communists, if one were to believe half of the newspaper reports, are responsible for almost everything, the cold weather, the failure of the crops, the outbreak in the Philippines, and, if any one could say it with a straight face, they probably would be blamed for the world-wide industrial depression. In the United States, prominent citizens propose the outlawing of the communist party and the deportation of the Communists, thereby breaking one of the first principles of American institutions, the liberty of discussion; and in truth the principal thing the Reds have been guilty of has been to discuss a new theory of government. It will be a sorry day for human liberty, indeed, when that becomes a criminal offense. To speak your mind in America is becoming a prison offense, so it can be no wonder that here in China it frequently becomes an offense for which the perpetrator loses his (or her) head, something that occurs here in China more frequently than the average person has any idea. To fight Communism by shutting up their printing offices, jailing and shooting the Communists, or alleged Communists as is frequently the case, and generally to place obstacles in the way of their teachings is the height of folly. It is as if one, finding a mistake in a mathematical problem, would try to break up the multiplication table. The way to fight Communism is not to throttle the Communists, but to make away with the condi-

tions that give them a fertile field within which to propagate their views. China once turned to the Soviets when the rest of the world refused its aid, although it was only a temporary measure.

China quickly learned that there was nothing of benefit to the people of this country through adherence to Communism and that the chief motive of the Red Russians in promoting their doctrines in this country was political, otherwise the extension of Russian political influence into Asia. There is therefore hope that the present "left-wing" trend in politics in other countries, will parallel China's experiences and quickly correct itself, because, as stated, the promoters of Communism are not interested particularly in improving the welfare of the people, but in promoting Soviet Russian political influence throughout the world. The dreamers of Moscow are primarily interested in the re-creation of the Euro-Asiatic empire of Ghengis Kahn which ruled most of Asia and Europe a few centuries prior to the discovery of America. They have found the doctrine of Communism or Sovietism a convenient tool for the propagation of their international political aims in this connection.

TOO MUCH SILVER AND TOO MUCH WHEAT

WITH an over-supply of wheat in Canada and an over-supply of both wheat and silver in the United States, China has suddenly become important as a possible outlet for these two important products, one a food and the other a metal used chiefly for currency purposes. China has also become tremendously important to Great Britain as an outlet for the surplus products of her cotton spinning and weaving mills and to Germany as an outlet for the machinery and other industrial products of that country. Since the Chinese have always been credited with average or better than average commercial sense, it is most natural that they should be interested in all of these multitudinous offers to "help China," but while interested they are not overlooking the fact that these western businessmen and politicians are really more interested in *helping themselves* than they are in *helping China*. Behind all the talk pertaining to advances of vast quantities of wheat, silver, cotton goods, machinery, etc. to China is the primary motive of self-preservation on the part of various Western governments, the officials of which are now looking to the Orient for some panacea that might provide a short cut back to prosperity. Times of political and economic stress such as the present are always fruitful of quack remedies, hence our daily newspapers are now filled with schemes propounded by so-called experts, most of them self-styled, who tell us how to solve the wheat, silver, cotton-goods, and other problems. And most of these solutions have a China angle; or to put it another way, "Why not get China to take our surplus stocks?" "Get China back on a producing and large-scale buying basis and that will start the wheels of prosperity moving again."

The Chinese would be fools if they were not interested in these reports coming out of the West and double-fools if they did not understand the motives behind them. If Canada has too much wheat and wants to give large quantities to China,

why shouldn't China accept the gift? If the United States has too much silver and wants to give some of it away, or at least lend it at low rates of interest, why not accept it? That, we imagine, is the way most Chinese feel on the subject, but we doubt seriously whether the thing will work out so easily and simply in the long run. In other words we imagine that when the smoke has all cleared away and when the problem of feeding China's starving millions and providing them with more silver currency is finally solved it will have to be worked out on sound business lines. The reactions, however, of Chinese officialdom at Nanking are perfectly understandable in view of the exaggerated reports which have been cabled to the Far East from the United States and Canada. To repeat, the Chinese would be prize fools if they did not accept these offers held out by Western politicians. Also, they would be most foolish not to take advantage of the situation which the economic depression has created in the so-called capitalistic nations of the West.

Of one thing we may be quite certain, the world economic depression has been partly caused by political and the ensuing economic complications in Oriental countries. Western industrialists and their governments never took the revolutionary situations in the Orient—China, the Philippines, Indo-China, India—seriously and went on producing and even stimulated buying by installment selling. The result has been a grand smash that has caused political sentiment all over the world to swing to the left. The road back to prosperity is bound to be a long one beset with many obstacles, but of one thing we may be sure, there can be no return to prosperity in the West until the peoples of Oriental countries are again set on their feet, economically, financially and politically. This means a complete change in the relations of East and West and the sooner Western nations realize the situation the sooner they will be able to recover a measure of the prosperity they have lost. Of one thing the Chinese may be certain, Western governments have enough domestic problems on their own hands to keep them occupied; hence China need not worry much about outside interference. Europe is worried about the industrial depression and the possibility of proletarian revolutions. The League of Nations is worried about its own existence, hence has no time or energy for China's affairs. The present administration in the United States is afraid to face the next national election unless something can be done in the meantime to restore prosperity. As stated, any interest which these various Western Governments may now take in China's welfare, is based entirely on the motive of self-preservation—self-preservation for the West. Their sole reason for various "offers" to China which now fill the newspapers are motivated by self-interest, simply because China happens to offer a way out. The situation is favorable to China because it should enable the Chinese Government and the Chinese people to obtain better terms than they could have obtained had the West been in a prosperous condition. China's fate is therefore, practically in the hands of the Chinese people themselves. They need have no fear of the old bug-bear of military intervention, at least from the standpoint of European nations or America, and as for the unequal treaties they will fall of their own weight because no Western nation has a sufficiently important interest in

them to force their continuance.

In special reference to various recent suggestions regarding silver loans, we are not so sure that something tangible may not shortly emerge from the present talk on the subject. For several years China has been on the black-list of Western bankers. First there was the International Consortium formed by President Wilson at the Paris Peace Conference, President Wilson's motive being largely altruistic from the standpoint that he wanted to put an end to international financial rivalries in China, but here again one might say that the motive was self-interest because Western and Japanese bankers were ruining themselves by lending money to rival factions in China that had the effect of prolonging internal discord in the country. But after formation the Consortium was gradually converted into a sort of loan monopoly which blocked further advances to China unless everybody was willing and of course, international agreement could not be obtained unless China could be forced to swallow all of the old loans on the lender's own terms. In short, Japan would not support the Consortium unless the other Powers would include the Nishihara

loans, and agree to Japan's monopoly in Manchuria. In view of changed circumstances in China, one wonders how much longer the Consortium will be supported by the governments concerned? In other words, one wonders whether the American bankers and the American Government will continue to support the Consortium, when it is discovered that an independent American financial policy might be better for American interests. If Senator Pittman and the representatives of American silver interests keep up their agitation for a direct silver advance to China on the part of the American Government it is almost certain to force the hands of American bankers and bring them into the field because they would not like to see the government doing something they should do themselves for a profit. Shortly following the close of the World War, the American Government and American financial interests dumped vast sums into Europe in order to save Europe from complete chaos. A similar situation is likely to develop shortly in respect to China, but as stated in the foregoing, the primary motive will not be to save China, but to save the Westerners themselves.

The Tientsin Conference

CHANG HSUEH-LIANG, popularly known as the "Young Marshal," announced his decision to intervene in the North China political situation on Sept. 18 of last year, or approximately four months ago. His intervention brought an abrupt stop to the fighting which had been proceeding for several months between the so-called Northern Military Coalition composed of Generals Yen Hsi-shan and Feng Yu-hsiang and the Central Government's forces under Gen. Chiang Kai-shek. Although Gen. Chang Hsueh-liang's intervention brought an abrupt stop to the fighting in the North, there was already ample evidence available showing that the Northern Coalition had failed in the accomplishment of its major ambition—the overturn of the National Government!

On Nov. 12, Gen. Chang Hsueh-liang arrived in Nanking and attended the Fourth Plenary Session of the Central Executive Committee of the Kuomintang Party. He participated in all discussions and was appointed the official representative of the Kuomintang in the Three Eastern Provinces. In addition he was authorized by Gen. Chiang Kai-shek, with the full approval of the National Government, to settle all outstanding domestic political and military problems in the provinces north of the Yellow River. This was done in order to enable Gen. Chiang Kai-shek to devote his entire attention to the bandit and communist situation south of the Yangtze. Chang Hsueh-liang departed from Nanking for Tientsin on Dec. 4 and since that time has occupied his attention with affairs in Shansi and Hopei (Chihli) provinces, his chief problem being the adjustment of the after-war military and economic situation north of the Yellow River. In the meantime, Gen. Chiang Kai-shek has devoted his attention to the communist-bandit situation in Hunan, Kiangsi and Fukien provinces.

On Sunday, Jan. 18, Gen. Chang Hsueh-liang returned to Mukden, his departure being preceded by conferences with T. V. Soong, Min-

and Prospects for Peace

ister of Finance and C. T. Wang, Minister of Foreign Affairs of the National Government. These conferences were also participated in, directly or indirectly, by representatives of other military and political groups in the North, notably Gen. Shang Cheng, the present head of Shansi province and representatives of the Kuominchun, or Feng Yu-hsiang group. Gen. Yen Hsi-shan, former head of Shansi province and leader in the defunct Northern Coalition, is now in Dairen, the so-called Japanese "zone" in South Manchuria. The hiding-place of Feng Yu-hsiang, former leader of the Kuominchun, is unknown but according to popular report he is still in southern Shansi province where most of his loyal or personal troops are quartered.

While there has been no official statement regarding the subjects discussed in the recent Tientsin conferences, it does not require much perspicacity to understand that most of the conversation centered about the matter of finances. Shansi province, with a population of 12,000,000, constitutes the key-stone of North China prosperity. So long as Gen. Yen Hsi-shan remained at home and attended to the affairs of his territory, Shansi was prosperous. But when Yen became ambitious and sought to control the country, conditions went from bad to worse in Shansi province. Today, Shansi suffers from all the evils resulting from military, political and economic exploitation. The province is over-run with defeated soldiers, is flooded with depreciated bank-notes and is in a generally chaotic condition. Yen Hsi-shan, the former leader has fled and has left behind a number of subordinates who are struggling for control, and in addition to the other complications a foreign political element has entered the province in the form of several thousand defeated Kuominchun troops. Gen. Shang Cheng, who was appointed head of Shansi in place of Yen Hsi-shan, went to Tientsin with two major purposes in mind, both of which were concerned with finances. He wanted money to rehabi-

litate the defeated troops in his province, popularly supposed to number between 150,000 and 250,000. Also, he wanted money with which to refund the depreciated Shansi notes. Gen. Shang is supposed to have asked for \$5,000,000, but according to the reports which have appeared in the Chinese newspapers, he only received about \$800,000, the Government's instructions being to disband the surplus troops. In regard to the refunding of the depreciated bank-notes with which Yen flooded the country, the Government is reported to have flatly declined responsibility, fearing that a dangerous precedent would be set in case some other rebel faction decided to defy the Central authorities.

Aside from consideration of other problems concerned with the abolition of the likin tax and the inauguration of new imposts to make up the deficit, these matters constituted the chief subjects discussed at the so-called Tientsin Conference.

With the political, military and economic situation in the Tientsin-Peiping-Taiyuan area adjusted for the present at least, there seems to be no serious handicap to peace in the North for a considerable period. The positive element on the side of peace is the continued friendliness and support of Gen. Chang Hsueh-liang toward the Central Government at Nanking. Aside from Japanese propaganda disseminated chiefly through the semi-official *Rengo* and allied news services, there is no questioning the genuineness of Gen. Chiang's support of Nanking. The only disquieting element in the situation, and this again has its foundation in Japanese propaganda, is the feeling entertained in the North that Gen. Chiang's support of the National Government may be too enthusiastic and wholehearted for his own political welfare. Space is too limited for an extended review of the political situation in the Three Eastern Provinces (now four through the addition of Jehol) which has developed since the death of Marshal Chang Tso-ling in 1928. When Marshal Chang the political and military dictator of Manchuria passed from the scene through violent means, it left several potential rivals for his position in the field, among them being Generals Yang Yu-ting and Chang Tso-hsiang. Since civil war threatened, the issue was side-stepped through the elevation of Chang Hsueh-liang, the son of Marshal Chang Tso-ling to the vacant post. There then followed bitter rivalry between the "Young Marshal" and Yang Yu-ting, Chief-of-Staff who had been director of the big Mukden arsenal, which rivalry culminated in the execution of Yang Yu-ting. Gen. Yang was accused of plotting with certain elements south of the Great Wall, notably Bei Tsung-chi of the Kwangsi faction who at that time had charge of the Peiping-Tientsin-Shanhaikwan area, their object being to seize control in both North China and Manchuria. The execution of Yang Yu-ting left Marshal Chang Hsueh-liang in control in Manchuria, his chief supporters being Chang Tso-hsiang, governor of Kirin, Wan Fu-lin, governor of Hsilungkiang and Tang Yu-lin, head of the Jehol provincial administration. With Chang Hsueh-liang in

control of Fengtien (Liaoning) province, these men constitute the Manchurian Political Council, of which Marshal Chang is chairman. The troops which Marshal Chang used to intervene in Chihli (Hopei) province in September and October of last year were Fengtien soldiers, hence this had the practical effect of adding Chihli province to his domain. But while adding to his power, it also had the effect of adding to his responsibilities and this in turn may have had a weakening effect on his position in Manchuria.

When Marshal Chang Hsueh-liang was elevated to the chairmanship of the political administration in Manchuria there was considerable skepticism in Mukden as to whether he would be able to "get away" with the job. But to the consternation of those who hoped he would fail, Young Chang surprised everybody by going to work and quickly developing political leadership. He immediately surrounded himself with a number of political advisers, some of them foreigners, who assisted materially in the solution of the major problems facing that section of China. The political situation in Manchuria differs materially from that south of the Great Wall in that Manchuria's chief problems are external due to Soviet Russian and Japanese intrigue and political pressure. While Chinese officials south of the Wall must concern themselves primarily with domestic affairs, the same does not hold good in Manchuria where foreign intrigue, political and economic pressure must be fought continuously. Manchuria is the battle-ground of two powerful foreign nations, neither of which has ever stopped at anything, including political assassinations and other acts of violence, to further its aims. In 1928 there was the assassination of Marshal Chang Tso-ling, the Japanese military in Mukden being directly responsible, and in 1929 there was the Red Russian military intervention in North Manchuria. The Chinese in Manchuria are thus between two mill-stones, the upper being Russian and the lower being Japanese. Since the Red Russians, through military means re-established their position in North Manchuria, the Japanese have off-set this by strengthening their military position in South Manchuria. Shortly after the beginning of the Sino-Russian complications early in 1929, the Japanese transferred their south Manchurian military headquarters to Changchun (midway between Harbin and Mukden) and in the intervening months have constructed military barracks in that city capable of housing 40,000 troops, this force being practically equivalent to the force of Red Russians which intervened in North Manchuria and which is still stationed along the North Manchurian border.

The Chinese population in Manchuria is thus between two fires and as Chinese political and economic strength has increased, the Japanese and Russians have begun to show a disposition to cooperate at China's expense, this being the alternative to open conflict. Neither the Japanese nor the Russians wanted Marshal Chang Hsueh-liang to cooperate with the National Government. Immediately after he decided to intervene in the situation in the North the Russians resumed their aggression on the

North Manchurian border. As for the Japanese, they started their propaganda attacks against Marshal Chang immediately after they realized that his cooperation with Nanking meant the transfer of Manchurian diplomacy from Mukden to Nanking. According to these reports considerable opposition had developed in Mukden regarding Marshal Chang's prolonged stay in Tientsin; that Gen. Chang Tso-hsiang, head of the Kirin government had proposed that Marshal Chang relinquish his post in Manchuria and establish his headquarters in Peiping; that Kao Chi-yi, director of the Peiping-Liaoning Railway and close adherent of Marshal Chang be appointed chairman of the Heilungkiang provincial government and finally that Gen. Wan Fu-lin, head of the Heilungkiang administration be appointed chairman of Kirin in place of Chang Tso-hsiang who would become chairman of the Manchurian Political Council. Whether there is anything substantial behind these reports is not known, but persons close to Marshal Chang insist that such changes in the Manchurian administration would meet with the wishes of the Japanese due to the belief that Gen. Chang Tso-hsiang might be more amenable to Japanese influence than has been the case with Marshal Chang Hsueh-liang. Practically all of these Japanese reports have as their main object the desire to create conditions in Manchuria that might be more favorable to Japan's "special position" in that area. Japan does not wish to discuss Manchurian questions with Nanking, this fact being emphasized in a Reuter dispatch from Tokyo on Jan. 13 which stated that Kimura, the director of the South Manchuria Railway was proceeding to Mukden for the purpose of discussing various questions pertaining to railway affairs directly with the Mukden authorities, these questions including the completion of the Kirin-Tung-hua Railway to the Korean border; repayment of Japanese loans to Mukden for the construction of the Taonan-Tsitsihar and Kirin-Tung-hua lines and questions pertaining to China's alleged violation of the agreement not to construct railway lines paralleling the Japanese-government controlled South Manchuria line. The fact that the Japanese railway has begun to feel the effects of Chinese railway competition in South Manchuria has accentuated Japan's desire to discuss these questions directly with the Mukden authorities without Nanking's interference.

The New Taxes that Supersede Likin

From "Jen Min Jih Pao" (Tientsin)

During the past few days numerous telegrams came in from all parts of the country, rejoicing at the abolition of likin. But is there really any reason for this popular jubilation? For likin is to be succeeded by the so-called Consolidated and Special Consumption Taxes. And between the two is there, in fact, any difference? Will the abolition of likin and its substitution by the Consolidated and Special Consumption Taxes make any difference to the burden of the sorely tried populace?

In the first place, the new taxes are to be collected at the places where goods are produced or concentrated. Likin was, or still is, collected at certain places through which goods have to pass. On the surface, therefore, the new taxes do not seem to be so complicated and vexatious as the old one. Likin is further a local re-

venue, while the larger part of the yield of the Consolidated and the whole of the Special Consumption Taxes will go to the Central Government. This will deprive the local Governments of an important source of income, but the Central Government will be correspondingly benefited. This consideration, is of greater concern to the officials than to the people.

In the second place, likin covers such a wide field that no goods are exempted from it; it is, therefore, one of the worst kinds of taxation in the world. Now the scope of the Special Consumption Tax is limited to (1) sugar, (2) textiles, (3) manufactured goods leaving the factories, (4) oil, (5) tea, (6) paper, (7) tin and foil, (8) sea products, (9) timber, (10) pottery, (11) live stock, (12) drugs, (13) varnish, (14) furs and hides, (15) mineral products, (16) cocoon, (17) silk, (18) yellow bean and (19) cotton; the Consolidated Tax to (1) cigarettes, (2) flour, (3) matches, (4) cotton yarn and (5) cement.

Likin is a general tax; the Consolidated and Special Consumption Taxes apply only to certain specified goods. But is there really any difference as to their scope? Is there any commodity which does not fall under one or the other of the 25 headings to which the Consolidated and Special Consumption Taxes apply? Economists are generally agreed to Consumption Taxes being confined to a few selected goods so as not to be a nuisance to the people, and, incidentally, to keep down the cost of collection. From this point of view the new taxes are therefore as unsound and as vexatious and obnoxious as likin.

In the Regulations governing the collection of the Special Consumption Tax, it is stated in Chapter II, Article VII:

The tax offices shall be established at places where the goods are produced, manufactured or concentrated.

In the Regulations governing the inspection of goods subject to the Special Consumption Tax it is stipulated in Article II:

1.—When goods are in a centre convenient for inspection, the tax office shall send its inspectors to inspect directly the quality in stock and sold, and to determine the amount of the necessary taxation.

2.—When goods are scattered in various places not convenient for inspection, branch offices shall be established at the main routes through which goods are transported, where the goods shall be examined according to the bills of lading.

3.—Goods transported on rivers and their tributaries, which are not convenient for direct inspection, shall be subject to inspection by inspectors on boats possessed by the tax offices.

In other words, the Special Consumption Tax will be collected at the same points where likin was (and still is) collected, causing the same inconvenience and trouble to the merchants as its predecessor, likin, the same delays in releasing the goods under inspection, and creating the same opportunities for exaction and extortion. And against administrative negligence and misbehaviour, the poor merchant has no effective remedy. It is true Article VII of Chapter V of the General Regulations states that "Whenever any action on the part of the tax offices is considered illegal and whenever the amount of the necessary tax is fixed at an unreasonably high rate, the tax payer concerned may appeal to the Ministry of Finance for a decision in accordance with the law." But with legal costs and lawyers' fees so high, and the machinery of the law inefficient and undependable, who would care to settle disputes by recourse to administrative law?

We strongly support the authorities in their attempt to abolish likin, but we cannot see our way to approve of their instituting taxes of a similar nature in its stead. The substitution of the Consolidated and Special Consumption Taxes for likin is like the replacement of the Tuchun by the Tupan. What is the difference? The new taxes are collected from practically the same source; what is now the advantage of merely a change of name? The people ought, of course, to pay legal taxation, and the loss of a part of the national income ought to be compensated for by some other income, but a bad tax must not be replaced by another equally bad of the same scope and nature, even if the new name sounds more attractive and modern. Merely to effect a useless change of name reflects no credit on the authorities concerned, it creates popular disappointment and disillusion, and the only persons benefited by the measure are a new set of tax collectors and the Chinese Telegraph Administration which is lately having some additional business in handling the numerous telegrams congratulating likin on its acquisition of a better sounding name.

China's Insurance of Peace

BY Y. M. CHEN

In the brief span of nineteen years since the inauguration of the Republic China has been greatly disturbed within her borders by wars. With the fall of Feng Yu-hsiang and Yen Hsi-shan, the two most formidable leaders of the counter-revolutionary forces, there come to us higher and brighter hopes for a peaceful and prosperous China than ever before in the history of the Republic. We believe we have fought our last Civil War and are rid of militarists and war-lords who, with their unrestrained ambition for self-aggrandizement and gain, have ever obstructed the unification of this country. The National Government is now enabled to turn its undivided attention to the next most urgent task, namely, the eradication of communism and brigandage, so as to pave the way for permanent peace and tranquility at home.

Elaborate and careful plans have been made for a punitive expedition against the communists and brigands marauding in Kiangsi, Hupeh, Hunan and Kwangtung, in which President Chiang himself is to direct operations. President Chiang will be able to affect a complete round-up of those marauders either by force of arms or by the exertion of moral influence. Nevertheless, this is only a temporary solution of the crucial problem and does not guarantee that China will not be in danger of being harassed in the future by these hordes of lawless persons. We should seek not only a palliative, but a permanent cure of these troubles. It is a question of how to exterminate brigandage permanently from Chinese soil; of locking, barring and double-barring the territory of China, so that the communists or Soviet agents cannot force their way in. It is likewise a question of how to make this country safe for Democracy, as the Soviets have tried and are still trying to make it for Communism.

The Lure of the Soviets

Before going further into the subject, perhaps a word or two relative to the causes which made China a most fertile soil for the propagation of communism may not be amiss. It has thrown the entire country into industrial stagnation, and the larger percentage of the population out of employment. What, then, can they do to keep themselves alive and their beloved ones from starvation?

Thereupon came the Soviet agent with his injurious doctrine, promising them everything of which they were in dire need, if they chose to become his adherents. Could any one of only ordinary intelligence and will-power, poverty-stricken and suffering from pangs and distress, remain firm in his principles, if he had any, when brought face to face with this temptation?

If we wish to rid this country of the virulence of communism and brigandage we should go in for a preventive or fundamental solution of the pressing problem. In other words it is necessary to keep every avenue shut against the communists obtaining a foothold. This is only possible when the Program for National Reconstruction of Chung-li is carried out—the is, when the living conditions of the great masses are bettered and improved. This is a gigantic task, in which every person has his role to play and to play well, and which requires the cooperation of all, irrespective of class or station. Those who work in shops and factories should consider the increase of their production and advancement of their professional skill as the highest duty to their country. The merchants should regard the promotion of home industry as their most important duty. The tillers of soil ought to apprehend that their duty to China is to enhance their farming produce, improve their farming methods and leave their farm better than when they found it. As for the intelligentsia, they are to absorb and to impart as much as possible such knowledge and information as are wanted by their fellow-countrymen for their productive enterprises.

In this connection, the writer has been deeply impressed for quite some years with the need of adequate cooperation between the government and people of China whereupon her prosperity mainly depends. I shall cite only one of many instances which may serve to illustrate the disadvantage connected with the lack of this cooperation in this country.

A Rubber Merchant's Experience

It is only a few years ago since a Chinese rubber merchant from Malaya had the vision of planting rubber trees in South China, where conditions of soil and climate, as he saw them, were entirely adaptable. He brought home ten thousand such young trees, and had them planted in a carefully chosen area of land in Fukien. All went well till months later when these young plants all began to dwindle and disappear. This was not due to any civil warfare or natural calamity. They were deliberately uprooted and destroyed with impunity by the inhabitants of the surrounding country.

Of late much has been said and discussed as to how to get our over-seas brethren interested in the program for national reconstruction, in the economic development of China. How could they become interested to the extent of wishing to participate in it themselves, as long as the government afforded no protection for their undertakings, and the conditions at home were not sufficiently inviting. Government and people should by all means cooperate hand in hand with each other in the realm of industry and commerce, for in the absence of this much-to-be-desired cooperation there can be no prosperity for China.

Furthermore, the development of this country can be considerably hastened by the cooperation of foreign powers in her productive enterprises. It has been repeated many times over in foreign newspaper columns that while the Chinese welcome foreign cooperation, no banker or industrialist of any foreign power will care to lay his money out in China as long as her domestic conditions remain so unstable. This implies that the abnormal conditions throughout this country have to be cleared entirely before we are to go in for our National Reconstruction and the development of our basic industries. This is putting the cart before the horse. The alleyways of the territory of China will not be shut against the inroad of communism as long as we remain in industrial inactivity.

The powers of Europe and America must understand that such conditions of instability as have been existing in this country were created by industrial stagnation which was due: first, to the recurrence of internecine warfare since the inauguration of the Chinese Republic; second, to the insuperable aversion of tuchuns and war-lords to useful undertakings; third, to their undivided attention to self-aggrandizement and gain; fourth, to the want of cooperation between government and people as well as among the people themselves. We have lingered behind in almost every kind of industrial enterprise upon which the satisfaction of human wants mainly depends. What the masses of China want and must have is food and work. It is believed that seventy per cent of our population is living below the minimum required for subsistence. As for work, it has become so scarce that hordes and multitudes of people, looking for it but finding none, have enlisted their services as bandits and Soviet agents. It is only when China has enough to feed her millions and work for every person that there will be an end of abnormality and instability.

Under the leadership of the Kuomintang, we have practically eliminated the causes of China's industrial stagnation, having fought what we believe to be our last civil war; removed our last obstacle to national unification and rid ourselves of the tuchuns and war-lords. The National Government is determined to cooperate with the people just as much as the people themselves will cooperate with each other, in order to make China a great industrial country into which the influence of communism and banditry cannot force its way after it has been once eradicated.

China the Chief Battleground

In point of fact, China is the chief battleground where Democracy and Sovietism are engaged in continuous warfare. There is no denying that Russia has spent large sums of money in subsidy to Chinese Communists and brigands to create troubles here and there so as to further her own cause. She aims to thwart our plans for strengthening the foundation of this country, to make Chinese soil ever fertile for the seeds of her injurious doctrine. The far-sighted statesmen of the world's greatest democracies should work out, at their own initiative, a form of cooperation which will be helpful and acceptable to China, an arrangement based upon the spirit of equality and reciprocity for the purpose of counterbalancing the plan of the Soviets. Russia tries to make China a safe place for Communism. Will we not make it safe for Democracy? The industrial countries of the west have to sell their goods in the orient in order to resume and enhance their own prosperity. It is to their advantage to assume a liberal and far-sighted attitude in their financial cooperation with us.

The main point which we wish to establish is that China should not be required to guarantee the stability of conditions, before foreign financial assistance is given. It is of primary importance to China to get on her feet, to create or maintain order and stability by the application of capital and scientific knowledge to her industries. This is the only way to increase the purchasing power of China and to raise the living standard of the Chinese. It is the best way for the western countries to restore and increase their own industrial prosperity. This is the only way for China to lock, bar and doublebar her territory against the entrance of the Soviet agents. It is China's only insurance of peace and stability.

Shanghai, January 17, 1931.

Modern Judicial Reform in China

BY C. Y. W. MENG

(Continued from Last Week)

(C) Under the National Government

Being a government of "laws" the National Government certainly takes more vigorous steps to improve the Chinese judiciary than the steps taken by any other departments of the government. The most significant steps taken under the Nationalist regime are probably the order for the non-interference in judicial affairs by the militarists, the proclamation of the Chinese Criminal and Civil Laws, and the announcement of the Program of Judicial Reforms by the Judicial Yuan. It was expressly ordered that all local militarists must keep hands off all judicial affairs. This is a great and significant step toward the independence of the judiciary.

The New Criminal Code

Four cardinal principles were enunciated by Dr. Wang Chung-hui, Dr. C. C. Wu and Hsu Yuan-kao as the basis upon which new Code was built. Should the law in force when the trial takes place differ from the law in force at the time when the offense was committed, the law in force at the time when the trial takes place shall apply. The consequence of this sweeping principle would subject an offender to heavier punishment than was prescribed in the law at the time when the offense was committed. The new Code, following the most recent legislative precedents, further provides in this regard that "where the punishment prescribed by the law in force at the time when the offense committed is the lighter, such lighter punishment shall be inflicted."

The Provisional Criminal Code has no provision regarding what constitutes "criminal intention" and negligence; these are adequately defined in the new Code. (Art. 26) In the imposition of heavier punishment in aggravating circumstances, while the Provisional Criminal Code is silent upon what constitutes these circumstances, the new Code provides, "Where an increased punishment is prescribed on account of certain specified results, the increased punishment shall be inflicted only if such results could have been foreseen by the offender." (Art. 29) This innovation follows in the footsteps of the Resolution adopted in the International Criminal Law Conference held in 1902. As regards the capacity for committing crimes, the Provisional Criminal Code fixes the age as twelve years; the new Code instead of a sweeping provision, goes further and lays down various rules for application to juvenile offenders of varying ages. (Art. 30). This provision is based on the most recent theory of the individualization of punishment. Consideration is shown for the first time to the feeble-minded offender whose punishment is reduced. (Art. 31). A distinction is made in estimating the gravity of an offense when committed in a state of drunkenness, between involuntary and voluntary intoxication; the former is a ground for the reduction of punishment. (Art. 32). The distinction is also made between special recidive (i.e. repetition of offenses of the same nature) and general recidive (i.e. repetition of offenses of a different nature), imposing heavier punishment upon the former, (Art. 66). A similar distinction is drawn between murder and manslaughter. (Art. 284 et seq.) Regarding "self-defence" and self-protection to avoid an imminent danger," while the Provisional Criminal Code fails to make specific provisions therefor, the new Code contains explicit limitations (Art. 36 and 37). In the case of "offenses against the internal security of the State," The new Code announces the principle that the crime is consummated as soon as an attempt is made. (Art. 103) In the case of adultery with a girl minor, the "age of consent" on the part of the girl has been raised from twelve years to sixteen years, (Art. 240). All these and many other innovations represent the efforts of the codifiers of the Code to modernize the criminal law of China in the light of Western precedents and new developments in criminal legislation.

Secondly, the new Code strives to make its provisions agreeable to the juristic attitude of the Chinese people. It introduces a new and more natural method of counting the degrees of "relatives," thereby bringing it into harmony with the popular way of counting, as distinguished from the former way (adopted in the Provisional Criminal Code) of telling the degree of "relatives" from the obsolete Table of Mourning. The provisions of Articles 283 and 289 concerning the killing of "lineal ascendants," where heavier punishments are prescribed as compared

with the Provisional Criminal Code, are also in consonance with the popular conception of the special enormity of these offenses, besides agreeing with the provisions on this subject in the criminal law of other countries. The same may be said of the increase of punishment in the new Code concerning cases of premeditated homicide (Art. 282) and of killing by act of cruelty (Art. 284).

Thirdly, the new Code is bent upon enforcing the fundamental principles of the Kuomintang Party. In accordance with the Kwomintang principle regarding the equality of men and women, the new Code provides that the parents and grand parents of the husband are deemed as the wife's collateral ascendants instead of being her lineal ascendants as provided in the Provisional Code. By virtue of this provision, the woman is accorded the same status in family relations as the husband, who is deemed by law as the collateral descendant of the parents and grand-parents of the wife. (Art. 16). While the Provisional Criminal Code provides that when workmen engaged in the same business combine in a strike, the ringleader shall be punished with imprisonment for a period not severer than the fourth degree of detention or fine of not more than three hundred yuan, and the others shall each be punished with detention or fine of not more than thirty yuan (Art. 224) the new Code recognises no provision of this sort, since the right to strike is recognized in Kuomintang principles as a means of self-protection for the workmen. In order, also to carry out the party principle for the development of the economic life of the people, the new Code devotes a special chapter to the punishment of "offenses against Agriculture, Industry, and Trade." (Chapter 18). The purpose of this Chapter is none other than to afford special protection to the peasants, workmen and traders.

Fourthly, the new Code has been framed in the light of the changed and changing social phenomena. It has taken into account the new forms which certain crimes have assumed following changes in society and has endeavored to cope with these conditions by means of the addition of new articles and the re-fixation of adequate punishments. Snatching is to be distinguished from robbery (Art. 343), but piracy is to be suppressed more rigorously than robbery, (Art. 352). In view of the recent prevalence of kidnapping cases, the new Code has provided a special chapter entitled "extortion" (Chapter 32) dealing with offences coming under this head. In the chapter on "Offenses relating to opium," morphine, cocaine, heroin, and their derivatives are included in the term "opium," and their manufacture, traffic, and smoking or use are likewise made punishable under the new law.

The Civil Law

The most far-reaching provision in the General Principles for the Civil Code is that permitting the recognition of local customs whenever no chance bearing upon the question at issue is available. It is a common practice that the written law should be applied if it exists, and local customs are to be followed if no written law is available. Many countries have pursued the same course as we are taking now by stipulating clearly that, in case no written clause bearing on any subject is provided in the law, judicial application of customs may be permissible in supplement to the law, as it is expected. But whether the custom is to be considered as good or bad, or whether the custom should be allowed to take the place of law is to be decided by the judges.

The new civil code aims at two points: First, the promotion the spirit of government by law, and second, facilitation of the progress of the Kuomintang policy. Special attention has been paid to the interest of the community and public bodies, and have not followed the individualistic principle governing the civil code of old. Of course individualistic principles for the civil code are still existent as they can not be entirely eliminated; but at the same time, special care has been taken to prevent abuses arising from individualism that may injure socialism, as is required in the legislation of our present Civil Code.

Many customs which do not prejudice order are good customs. Bad customs will always prove detrimental to public interest. As public interest is now considered to be

of foremost importance, we consider it our duty to carry out our ideal of legislation by rectifying the errors of individualism. In other words, by making an individual responsible also for his thoughts. At certain times, when individual responsibility and property may clash with the interest of the public, it should be our duty to safeguard the interest of the public. The public interest should always have our prior consideration.

The next important principle embodied in the New Civil Code is the Principle of Equality between two sexes. This principle, which has been definitely laid down in the Koumintang Charter, must also be definitely fixed in our new Civil Code; no distinction is, therefore, made between the sexes; as both man and woman are human beings, we only say a person possesses certain rights and privileges and the capacity to act, and how a person can be considered unworthy and unable to possess the same. The law does not say anything that is specifically meant for man or for woman.

The most glaring injustice hitherto done to the fair sex was that a married woman had not even the right to deal with her own funds and property. So it was thought desirable to add a clause to the effect that a married woman should have this right. It was also proposed to define the meaning of the word "person", explaining that person may stand either for man or for woman, since a man has the capacity to act and a woman has the same capacity.

Our legislators have also tried to make the General Principles of our Civil Code as simple and practical as possible. They have excluded all unnecessary and trivial details and rejected hundreds of clauses that have proved useless in other countries. Also all extraneous subjects which should be separately dealt with are rigidly excluded.

Abolition of Procuratorates

Formerly, we had one Procuratorate Court attached to each Court, independent of each other. But under the National Government, the system of procuratorate attached to each court was ordered to be abolished. There is now only a Prosecuting Office, consisting of several prosecutors. The present system is more in conformity with modern prosecuting systems throughout the world.

The names of Courts have also been changed. Instead of having Supreme Court we have to-day the Highest Court in the Capital, with Higher Courts coming next, which are being established in each provincial capital. Then come the District Courts. Steps have also been taken to take away the judicial duty from the magistrates of hsien, by establishing a court in each hsien (憲法院).

A Program of Judicial Reforms

In accordance with the formulated policy to be carried out during the six years hence known as the period of Political Tutelage, as announced by the National Government, the Ministry of Justice has decided the following schemes to be worked out during these six years for the improvement of the Chinese Judiciary. The schemes to be worked out are as follows:

(1) Establishment of more courts of different grades:

(a) Hsien Courts: Within one year, it is planned to establish about 657 courts in different hsien. The provincial judicial authorities will be ordered to establish these courts in the assigned hsien at the proper time in accordance with the instruction of the Ministry.

(b) District Courts: For the first year, it is planned to establish 134 District Courts, with one detention house attached to each court. For the second year, it is planned to establish 142 District Courts with one detention house attached to each court. For the third year, it is planned to establish 362 District Courts with one detention house attached to each court. For the fourth year, it is planned to establish 375 District Courts with one detention house attached to each court. For the fifth year, it is planned to establish 377 District Courts with one detention house attached to each court. For the sixth year, it is planned to establish 383 District Courts with one detention house attached to each court.

All the provincial judicial authorities will be ordered to establish these courts in the assigned places at the proper time in accordance with the instruction of the Ministry.

(c) High Courts: Within this year, it is planned that the Higher Court in Si-Kong Province be established. For the first year, it is planned to establish 17 Branch Higher

Courts with one detention house attached to each court. For the second year, it is planned to establish 22 Branch Higher Courts with one detention house attached to each court. For the third year, it is planned to establish 3 Branch Higher Courts with one detention house attached to each court.

All the provincial judicial authorities will be ordered to establish these courts in the assigned places in proper order according to the instruction of the Ministry.

(d) Highest Courts: For the first year, it is planned to establish one Branch Highest Court. Within the second year, it is planned to have a Second Branch Highest Court established. Within the third year, it is planned to have a Third Branch Highest Court established. Within the fourth year, it is planned to have a Fourth Branch Highest Court established.

(11) Establishment of more modern prisons:

(a) Establishment of "Young Men Prisons":

Within the first year, it is planned to establish 28 Young Men prisons throughout the whole country. Within the sixth year, it is planned to establish 19 Young Men Men Prisons. All the provincial judicial authorities will be ordered to establish all these prisons in the assigned places of proper time according to the instruction of the Ministry.

(b) Establishment of General Prisons: Within the first year, it is planned to establish one general prison. Within the second year, it is planned to establish 44 prisons. Within the third year, it is planned to establish 49 prisons. Within the fourth year, it is planned to establish 48 prisons. Within the fifth year, it is planned to establish 32 prisons. All the provincial judicial authorities will be ordered to establish all these prisons in the assigned places at proper time, in accordance with the instruction of the Ministry.

(c) Establishment of Prisons for Recidive Convicts: Within the fourth year, it is planned to establish three prisons for these criminals. Within the fifth year, it is planned to establish 16 prisons of this kind, with three more to be established in the sixth year. All the provincial judicial authorities will be ordered to establish these courts the assigned places at the proper time in accordance with the instruction of the Ministry.

(d) Establishment of prisons for the hard-labor or out-door-labor prisoners: The detail of this is contained in the memorandum submitted by the Ministry of Justice in favor of sending prisoners for the frontier movements, which is not yet at hand when this article is written.

(e) Establishment of Prisons for the nervous, insane, or consumptive prisoners: Within the sixth year, it is planned to establish 21 prisons of this kind throughout the country. All the provincial judicial authorities will be ordered to establish these prisons of this kind in the assigned places at the proper time in accordance with instruction of the Ministry.

III—Improvement of the Present Prisons

(a) Reparations and enlargement of the present prisons: Within the first year, it is planned to improve and enlarge one of the modern prisons; from time to time, commissioners will be sent to different places to investigate into the present conditions of the prisons, such as the structure and arrangement of the prisons. Should some of them prove be inadequate, steps will be taken to improve and enlarge them. Should it be found that the old prisons are too bad, they would be closed up. Pending the establishment of the new prisons, attention will be paid to the sanitation and educationalization of prisoners, and giving some work to the prisoners. All documentary papers or books used by the men in charge of prisons of the courts must be in the form designed by the Ministry, special attention being paid to simplicity and uniformity.

Within the second year, it is planned to improve and enlarge five of the prisons. Within the third year, it is planned to improve and enlarge 11 of present new prisons. Within the fourth year, it is planned to improve and enlarge four of the present new prisons. Within the fifth year, it is planned to improve and enlarge 15 of the present new prisons. Within the sixth year, it is planned to improve and enlarge 5 of the present new prisons.

(b) Reclassification and training of staffs of the courts and men in charge of the prisons: For the first year, an examination into the certificates, records of works

of the judicial officials, court clerks, and also staffs and men in charge of the prisons is to take place, in order to decide who should remain in office or who should retire. From time to time, commissioners will be sent to courts of different places to investigate whether or not men in charge of the prisons are qualified for such work, in order to decide who should be promoted or who should be degraded. The higher officials of each courts will be instructed to be strict in examining into the records of staffs from time to time. A society for studying the Party's principles, so that all staffs of the courts will have better knowledge of the Party's Principles, will be organized.

(c) Establishment of the Juvenile Courts: For the first year, preparations towards the establishment of such courts will be under way. For the second year, the judicial authorities are ordered to establish these courts in the District Courts in accordance with the rules laid down in the first year. For the third year, more of such courts in the District Courts will be added in some provinces or commercial ports.

(IV)—Training of Judicial Officials

(a) Enlargement of present Judicial Official Training Institution: For the first year, the present Institution will be enlarged in its scope for training more judicial men. For the second year, steps for improvement of this institution are to take place from time to time. All the graduates from this institution will be sent to courts in different provinces to learn and practise.

(b) Establishment of the Medical Jurisprudence Research Institution: For the first year, rules for the establishment and government of this institution will be worked out and laid down. In accordance with these rules, this institution will be established in some medical schools. For the second year, steps will be taken to improve and enlarge this institution. All the graduates from this institution will be sent to different courts for employment.

(c) Training of judicial officials: For the first year, the rules governing the training of judicial officials will be laid down. All those who pass the examination for the judicial service will be sent to different courts to learn, or to the Higher Judicial Training Institution for further training. Upon expiration of the time of training, they will be sent to courts in different provinces to fill vacant posts.

(b) Training of court clerks: For the first year, the rules governing the training of the court clerks will be laid. In accordance with these rules, those who pass the examination will be sent to different courts for training. Those whose records during the training period are good enough will be sent to courts to fill vacant posts.

(f) Training of the men in charge of the prisons: For the first year, the rules governing the training of the men in charge of the prisons will be laid down. In accordance with these rules those who could not pass the examination will be sent to different provinces for training. Those whose record during the training period proves to be satisfactory will be at once sent to be put in charge of prisons in different provinces.

(g) Training of the inferior staffs and police of the courts: For the first year, the rules governing the training of the inferior staffs and police of the courts will be laid down. All the judicial authorities of different provinces will be ordered to train these men in accordance with the rules laid down. All those who will pass the examination will be sent to different other courts for employment.

(V)—Establishment of Judicial Organ in Charge of the Judicial Affairs of Mongolia and Tibet

(a) Organization of the Committee: For the first year, the rules governing the organization of the said Committee will be laid down. In accordance with these rules more minute organizations will take place. A study will be made as to how to start the work; and also the steps to be taken will be decided.

(b) Training more men in charge of Mongolian and Tibetan judicial affairs: For the first year, the rules governing the training of men for the Mongolian and Tibetan judicial affairs will be laid down. All the steps decided upon will be carried out and steps to improve such training will be taken from time to time.

(c) Preparation for the establishment of such organ: For the first year, an investigation into the present conditions of the Judiciary in Mongolia and Tibet will be made.

Plans for the establishment of the Mongolian and Tibetan Judicial Organ will be decided. All the plans decided upon will be carried out, and steps for improving it will be taken from time to time.

(VI)—Development of Judicial Affairs:

(a) Compilation of the judicial statistics: For the first year, the civil and criminal cases, prisons, and judicial administration will be compiled.

(b) Formulation of the criminal policy for the diminution of criminal cases: For the first year, basing upon the statistics, a study will be made into the causes of crimes, and suggestions of ways for the diminution of the crimes will be made; suggestions for giving the prisoners some out-door work will also be considered. For the second year, all the above plans, if approved, will be carried out, and steps to improve the situation will be taken from time to time.

(c) Development of the Court of Arbitration for settling the civil disputes for the diminution of the civil cases: For the first year, rules governing Arbitration will be laid down. All the steps decided upon will be carried out. Steps will be taken to encourage the establishment of the courts of arbitration for the settlement of commercial disputes.

(d) Adoption of the system of the assessorship in the Court of Arbitration: For the first year, rules governing the adoption of the system of assessorship will be laid down. For the second year, these rules will be carried out, and also, steps for improvement will be taken from time to time.

(VII)—Ascertainment of Finances of the Courts

All the budgets of the courts of different provinces will be re-estimated in order to give some financial possibility for improvement of courts and prisons. The funds for establishment of new courts and prisons in different places of different provinces will be ascertained and budgeted so that the actual preparations may be started.

New Courts and Prisons Under The National Government.—In a short period of twenty months from July 14, 1927 to February 16, 1929, the number of modern courts that were newly created in various places was 231. They are composed of:

- 2 High Courts,
- 3 Divisional High Courts,
- 3 Local Courts attached to divisional high courts,
- 26 District Courts,
- 87 Branches of district courts,
- 110 Modern hsien courts.

All these courts are equipped with detention houses. Besides, more modern courts are to be successively established with highly meritorious and legally qualified "Trial Officers" of the old magistrates' courts as the judges. By this means the Government will eventually cancel the judicial power of the magistrates in the whole country and invest it in independent judicial officials.

Besides radical renovation of all old-type prisons, four categories of modern prisons are going to be established at the principal cities. These prisons are for ordinary, juvenile, military, and recidive convicts, and in point of size they are to hold 300, 500, 700 and 1,000 persons. Reformatory measures will dominate in the treatment of the prisoners, and various kinds of manual labor will be taught with a view to enabling them to earn a proper living after their release. Strict attention is also paid to the sanitation of the prisons.

The above are a few of the facts about the improvements of the Chinese judicial institutions of to-day. They show that the existence of extrajudiciality is, in reality, a thing that can no longer be justly claimed by foreigners.

This Year's Washington Ball Will Be Held at American Club

The Washington Ball committee, presided over by Douglas Jenkins, American Consul General, at a meeting held January 16 decided that this year's Washington Ball will be held at the American Club. The ball will be held on Saturday night, February 21. Officials at the American Club and its members are co-operating with members of the ball committee, a feature of the ball being the oil painting of the "Father of His Country," which is loaned to the committee every year by the club. The American Club will be specially decorated for the occasion.

The New National Library of Peiping

BY JOHN GOETTE

AT the moment when the Trustees of the China Foundation for the Promotion of Education and Culture have gathered in Shanghai from America and all parts of China to make further grants from the returned American Boxer Indemnity Fund, it is timely to consider the largest single endeavor financed by the remittance. That is the National Library of Peiping, which started just five years ago without one book, and is now ready to move into its own premises where shelves are prepared to eventually hold a half million foreign style books and almost an equal number of Chinese volumes.

The creation of this Library is the result of the hard work of many Chinese scholars including the late Fan Yuan-lin and the late Liang Chi-chiao. Most active, however, is T. L. Yuan, graduate of the York State Library school at Albany, who as director of the institution has developed contacts with every part of the scholastic world. His task has not been one of hurrying through publishers' catalogues and ordering books. The new

style with sweeping roofs of green tile, heavy columns and a narrow veranda on the facade. Eleven Chinese and ten foreign architectural firms in China entered a competition for designing the library, and a jury appointed by the American Institute of Architects awarded the prize to a Danish firm of Peiping. The grounds comprise twelve acres along the historic and beautiful Pei Hai or North Sea Palace, from which they are separated by a low railing done in the old palace manner.

The main reading room will accommodate two hundred persons and is finished in massive columns with the ceiling of small painted squares such as are found in important temples. Every modern library convenience will be found, from automatic conveyors, fire-proof vaults for valuable editions, bindery, photostatic and printing departments' public lunch room, small rooms for individual reading and study, to rooms with special glass windows to shut out certain rays which might cause deterioration to the books and manuscripts.



The illustration above shows the new book stock room of the National Library of Peiping. This is the first large installation of steel shelves entirely made in China.

Library is interested less in fiction than anything else, for it is essentially a scholar's laboratory with book-tools for those devoted to every phase of sinological research.

Pushing the prosaic before the scholarly, mention must be made of a noteworthy advance in Chinese industry. A Tientsin firm, the China American Engineering Corporation, successfully outbid competitors in the United States, England and Germany, for the manufacture in China of the steel stacks on which will rest the occidental books in the new building. These stacks will be entirely made in Tientsin as will the mechanical book conveyor. It is the first instance of a large shelving unit being produced domestically. Since there were no facilities for enameling these stacks, they are being sprayed with paint and the committee expect complete success from this encouragement to home industry.

Designed in Chinese Palace Style

The new buildings are designed in the Chinese palace

Delicate recognition of American support will be found in the permanent memorial hall dedicated to John Hay who as Secretary of State enunciated his policy of the "open door" for China, and again showed his good will when the first remission of the American portion of the Boxer Indemnity was made. In this memorial hall will be a picture of the late secretary which his family has sent specially for that use. There will be also deposited in the Hay Memorial Room a separate collection of books dealing with Sino-foreign international affairs. A second memorial hall will be dedicated to the late Liang Chi-chiao, who at the time of his death was working under the auspices of the National Library on a grant from the China Foundation, preparing a general bibliography of Chinese literature. Aside from the Imperial Catalogue which lists all important works published before 1782, a bibliographical manual is lacking. This task was begun by classifying and cataloguing the

private library of Mr. Liang, which since his death has been acquired by the National Library and will be housed in his memorial room. More than 100,000 classification cards have thus far been made out in this undertaking.

The National Library's shelves will cater to the most Catholic tastes. The printed and written word might be read from the most modern style of printing and book making known to the west today or it may be studied from a stone cut in 175 A.D. This stone is one of those on which the Han Emperor Lin Ti had incised texts from his Six Classics. It was unearthed near Loyang in 1929 and is approximately two feet by one foot. One hundred and twenty beautifully executed characters appear on both sides and the stone is invaluable to close students of the Chinese classics.

In between these extremes of Chinese antiquity and ultra-modern occidental book production, the National Library boasts a representative collection of non-Chinese works on all subjects and a rare gathering of old Chinese books and manuscripts. Outstanding among the latter, of course, is one of the few extant sets of the Chien Lung encyclopedia or Ssu K'u Chuan Shu, issued in 1776 after thousands of writers had worked on its 36,300 volumes for at least ten years. These precious books will be kept in a fire-proof room. Students will be permitted to handle and study them, however, since the storage room is connected by stairs to a reading room which will be devoted exclusively to the encyclopedia.

Many Rare Pieces

Other rare pieces which the student may work over include 8,000 T'ang dynasty manuscripts obtained from the Buddhist temple at Tun Huang, made famous by the discovery of Sir Aurel Stein. These are in rolled, and not bound, form. Advancing nearer the present day, there are 20,000 pieces of Chinese incunabula. In this connection it might be noted that while western collectors class anything printed before 1500 A.D. as incunabula, Chinese scholars fix their date as 1300 A.D. There are also some illuminated manuscripts from the Yuan dynasty, at which time that art began.

Of curious interest to non-Chinese students is the undertaking of the National Library in indexing and editing a voluminous unpublished work known as the Wai Chiao Shih Moh Chi, containing documents relating to Chinese diplomatic history. These were copied by Wang Yen Wei from official records of the palace in the last century. Mr. Wang's work includes a compilation of records of the years 1836-1874, entitled "The Beginning and End of Barbarian Affairs", made by the government bureau which preceded the Tsungli Yamen or old Ministry of Foreign Affairs. That office was quaintly known as the Bureau of Barbarian Affairs.

The National Library expects to occupy the new buildings which are located just across "The Jade Rainbow Bridge", early in the spring, when its era of complete usefulness will begin. Even in the make-shift quarters now used, some sixty thousand readers were served in the past year. The creation of this splendid thing of Sino-American cooperation has involved the expenditure of \$1,200,000 on buildings and \$400,000 in the purchase of books. Due to the extremely high scholarly standard of its books and wide range of languages in which it caters to this esoteric object, the National Library may be described as unique in the world of book collections. An idea of its distinctiveness is had from the fact that out of the library recently acquired from from M. Giuseppe Ros, including 2,700 volumes, at least sixty-five percent are not represented in the printed cataloguing cards furnished by the United States Library of Congress, which are used by the National Library when available. Most of the Ros books were printed in China or the Far East. M. Ros is attached to the Italian Legation in Peiping and has been in China over twenty years.

Another outstanding accession made this year by the National Library is the Mollendorff collection made during the thirty years in China of Herr Paul George von Mollendorff, formerly of the Chinese, and later head of the Korean, Customs.

The Library is actively engaged in preparing reading lists, publishing bibliographies on varied subjects and accumulating data about modern periodicals and publications in China. Under its auspices a union catalogue of western books to be found in Peiping libraries will shortly leave the press covering 90,000 listed titles. Mr. Yuan and his hard working staff are making their contributions felt, as well meeting mountainous problems of acquiring, indexing and moving a very much alive library, even though it is an infant of but five years.

Peiping, January 17, 1931.

Civil Affairs Conference Proposes Important Reforms

A total of nineteen proposals calling for the provision of adequate safeguards for officials, the reform of officialdom, migration of unemployed to border provinces for colonization and reclamation purposes, and equitable distribution of food supplies were adopted at the second general meeting of the National Civil Affairs Conference held at Nanking January 17 under the chairmanship of Liu Shang-ching, Minister of Interior, and attended by 57 delegates.

The more noteworthy of the proposals adopted are as follows:

1. Early enactment of Regulations providing for the security and permanence of tenure during good behavior of Government employees.
2. Reform of Officialdom and prevention of corruption.
3. Selection and appointment of local Government officials on the basis of merit.
4. Dispatch of a special Good Will Mission to Sikong and Tibet.
5. Organization of the Sikong Provincial Government.
6. Training up of efficient Mongolian and Tibetan local officials.
7. Migration of people to border provinces for colonization as well as for the consolidation of National Defense.
8. Equitable distribution of food supplies.
9. Issue of a circular order to the various provinces instructing the establishment of granaries as a preventive measure against foodshortages.
10. The custody and control of funds for education, reconstruction, and the maintenance of police in the various hsiens to be with the Bureau of Finance of the District Government

Charles R. Crane Says China is 200 Years Ahead of Russia

Charles R. Crane, former U. S. Minister to China, who recently visited China and Japan, in an interview at Pasadena, California, expressed the opinion that "China of today is 200 years ahead of the Russia of today."

Mr. Crane said China's hope is in its young people. "There were, some 13 years ago," he said, "about 6,000,000 Russians who had within their keeping the culture and the education of their empire. These are gone. The Soviet Government set out to obliterate them. The lives of some were sacrificed, others fled their homeland and are scattered everywhere as refugees, and those who remained are in oblivion."

"The Chinese are wise enough not to follow this example. They are building their new nation, are working out their dreams and visions, on a foundation of all that was best in the China of past centuries. It is for this reason that I say China is 200 years ahead of Russia."

"A generation ago, under the provisions of the Boxer Indemnity funds in whose establishment John Hay was a leading figure, China began to send its young men to foreign lands for study. Now it is beginning to reap the fruits of that study which shows itself in terms of trained leadership. Contact with Occidental culture did not cost these young people their conception of Chinese living, nor has it impaired their effectiveness in coping with problems which are characteristically and ineradicably Chinese."

Chinese Merchants Send Protest to Nanking on Woollen Duties

Pointing out that the duties on woollen goods under the recently enacted tariff range from 46 per cent to as high as 127 percent, fifty Shanghai woollen merchants have sent a petition to Nanking asking that the duty be reduced. Acting on this petition, the Shanghai Chinese General Chamber of Commerce has also submitted a protest to the Government in the same connection. Under the old tariff duties were assessed on an advalorem basis, but under the new schedule, the basis of assessment is by weight, so that the advalorem ratio has become excessive. The woollen merchants in their petition state that if reductions are not made they will go bankrupt, as no business will be possible with the new rates. The woollen merchants point out that the duties on woollen goods work out higher than the duties on such luxuries as tobacco, wine and toilet goods.

The Silk Debentures

BY PAUL K. WHANG (汪仲芳)

SINCE last June, our silkmen have spared no efforts to convince the government of the necessity of issuing \$10,000,000 worth of silk debentures, for relieving the slump of the silk business and keeping their filatures in a running condition. For many months, they have individually and collectively approached the government officials, presented their case to them, and earnestly solicited their assistance. But the government, as usual, assumed an indifferent attitude for some time, only acting when the filatures in Central China had actually closed their doors one after another in a rapid fashion. By last October, the situation became so acute, when nine out of ten filatures were closed down and hundreds of thousands of workers were thrown out of employment, that the government sensed the imminent and inevitable crisis, and came down to give its helping hand to our silkmen. In this instance, Dr. H. H. Kung, then Minister of Industry, Commerce, and Labor, should be thanked for his far-sightedness in giving his unreserved support. Since then, many conferences have been held between the representatives of the silkmen and the officials of the Ministry of Industry, Commerce and Labor, and of the Ministry of Finance to discuss the total amount of debentures, the way of their redemption, the date of their issuance, the eligibility of the silkmen who seek such relief, and the basis of their distribution among the eligible silkmen. The final program was worked out in the final conference of last December, called by the Vice-Minister of Finance, in which the delegates of Shanghai, Wusih and Chekiang silkmen participated. After half year's patient waiting and sufferance, the labor of our silkmen has at last borne fruit in the form of the actual government assistance.

In accordance with the final program, the amount of debentures, which was originally set at \$10,000,000, will be reduced, for some reason or other, to \$7,000,000; and of this amount, \$1,000,000 will be set aside for giving the basic relief to China's silk industry in establishing sericultural stations, schools, and what not. Therefore the actual amount given to the silkmen will be only \$6,000,000, or 60% of the original figure. It is said that \$200,000 will be further deducted from the amount for the expenses of printing these debentures and their flotation, and that what our silkmen will actually receive will be even less. Based on the original figure, each basin of the filatures in Central China will receive about \$200 in debentures; but now since the total amount has been slashed to \$5,800,000, each basin will only be able to get 60% as much, or \$116 worth of debentures. As to the actual receipt in terms of cash for each basin, we are not in a position to figure it out, but we are safe in saying that our silkmen can not realize more than 70% of the face value of the debentures. The debentures will be gradually redeemed and retired by levying Tls. 10 per picul on exported silk by the custom house after the date of their issuance. Owing to the time needed to print these debentures, the date of issuance was originally set at March 31, 1931; but in view of the tense situation, temporary forms may be issued for the general circulation before that time.

Those Who Will Receive Support

As for the eligibility of the silkmen who are entitled to such a relief, it has been finally decided that those who have had their filatures running without stopping since June 1, and who have closed down their filatures temporarily on account of the business depression, are qualified to get the debentures, and that those whose filatures have been closed down and subsequently dissolved are ruled as ineligible. The reason for this is, nearly all the silkmen closed down their establishments by last October, and many of them have not resumed their operation hitherto, and that it is fair to say that only those who continue running their establishments can claim the relief, inasmuch as the debentures are issued only to give help to those silkmen, who, in spite of heavy losses, have continuously given employment to the wage-earners, and not to compensate the losses they have already sustained.

In the final conference of last December, the question as to the basis on which the debentures will be distributed to the eligible silkmen was hotly debated. A few silkmen who then held a large stock of unsold silk in the local godowns argued that the debentures should be issued on the basis of exported silk. According to their plan debentures of \$200 worth will be allotted to each picul of exported silk from the date of issuance. The partiality of this plan is obvious, as it intends to give relief only to those who

have had a large unsold stock on hand, while those who have carried a little or no stock will be hardly benefitted. Moreover, in order to float \$5,800,000 worth of debentures after the date of their issuance at the end of March it is necessary to export about 29,000 piculs of raw silk within two months, say in April and May, before the advent of the new season. But this is next to the impossible. According to the statistics available, from the beginning of last June to the end of last November, Central China only exported 24,890 piculs of raw silk, about half of the amount of 1929. Taking stock of the unsold silk now stored in the local godowns, we have the approximate figure of 14,000 piculs. Granting that this figure is correct, we are still short of 15,000 piculs to make up the required amount for absorbing all the debentures, if they are all exported after the date of issuance of the debentures and before the advent of the new season. It is also impossible to urge our silkmen to hasten their production for making up this deficit from now on. On the other hand, this plan will only give benefit to the exporters and the cocoon merchants. The former will intentionally cut down the price of their silk, and the latter willfully hold up the price of their cocoons, if they know that the silkmen must hasten their production and export their silk in order to get the debentures. Fortunately this plan had been nipped in the bud, before it took any form, and the great majority of the delegates at the conference favored the present plan, that is, the distribution according to the basins. The only fear of the present plan lies in the fact that the silkmen, as soon as they get the debentures, might close down their establishments; but this fear can be removed, if they at the time of applying for the debentures must guarantee the future operation of their filatures.

In bringing their dream into realization, our silkmen have undergone many hardships. At the beginning, the opinion among our silkmen has been divided as to the desirability of soliciting government assistance. A few silkmen, who have had strong financial sources, have scorned this idea, and held that only the fitful ones should survive. But this sentiment, of course, could not appeal to the majority of others, who have not been equally blessed with the strong financial backing, and who have considered this government help, no matter how small it is, as a question of life and death. When the government help has actually come, the debate on the basis of distribution of the debentures has been a hot one. But after all, the majority has won the day. The government help has been obtained, and each eligible silkman will receive the benefit in a fair and just way.

In giving its financial help to the silkmen, our government has contributed something substantial to our silk industry, even though this help has come at the eleventh hour. It is a foregone conclusion that with the country united, the government will be in a better position in the future to make more contributions to the growth of our silk industry. In setting aside \$1,000,000 worth of debentures for the expenses of establishing sericultural stations, schools, and what not, the government has at last learned the causes of the failure of our silk trade, and has been determined to offer some basic reforms to the rehabilitation of our silk industry.

Shanghai, January 18, 1931.

China Will Take Initiative in Sino-Soviet Negotiations, Says Dr. C. T. Wang

The Nanking Government intends to retain the initiative in the Sino-Soviet negotiations at Moscow, according to replies given by Dr. C. T. Wang, Foreign Minister, to Peiping journalists January 17 when he granted an interview. Dr. Wang stated that the conference had reached the subcommittee stage. He definitely asserted that the question of the Chinese Eastern Railway will be first discussed, then the renewal of diplomatic relations, and lastly the commercial treaty. Upon the question of extraterritoriality abolition Dr. Wang is reported to have said that, for technical reasons, the solution of this problem probably cannot be reached before the National Congress.

Governor General of Formosa Resigns

Eizo Ishizuka, the Governor General of Formosa, resigned last week, holding himself responsible for the recent uprising of aborigines. Masahiro Ota, the Governor of Kwantung, succeeds him. Seiji Tsukamoto will succeed Mr. Ota in Kwantung. Several other high officials in the Formosan administration have also tendered their resignations.

The Chinese Language in Fifty Ten-Minute Lessons!

BY PROF. W. W. SCHARFFENBERG

Lesson No. II

Lexicology

In the study of any language lexicology plays the greatest role, for lexicology is the study of words and words are the elements of which languages are made. For this reason lexicology may be considered the most comprehensive of the linguistic sciences, for it includes all branches of philology as phonetics, orthography, etymology, semantics, stylistics, idiomology, lexicography, and the most modern branch of lexicology, called statistical lexicology. As you proceed in this course of study you will be introduced to the study of various phases of lexicology. In the present lesson we will merely define the above terms,

Phonetics

Phonetics may be defined as that study which helps us to acquire the correct pronunciation of the sounds of the new language. A knowledge of phonetics is indispensable to the successful mastery of any language. The symbols agreed upon by the International Phonetic Association will be used as a basis for the representation of speech sounds in written form. Phonetics is purely the study of the pronunciation of words.

Orthography

Orthography may be defined as that study which has to do with the spelling or writing of words. The art of writing words with the proper letters, or the writing of characters with the proper strokes, so as to accord with the standard usage of the day.

Etymology

Etymology may be defined as the study of the origin or derivation of a word or character as shown by its analysis, or by referring it to an earlier form or word and an account of such origin and derivation.

Semantics

Semantics may be defined as the study of the definition, explanation of, or meaning of words or characters. The meaning of each new character together with its correct phonetic symbol will be given in each lesson.

Stylistics

Stylistics pertain to the style used in either the spoken or written form of the language. The ability to use the right character in the right place is an accomplishment worthy of our highest efforts.

Idiomology

Idiomology may be defined as the science that has to do with the study of the structural form peculiar to any language. The outstanding peculiarities of the Chinese language will be brought forth in these lessons.

Lexicography

Lexicography may be considered as the art, process, or work of making a lexicon or dictionary. The student is encouraged to preserve these lessons and through careful arrangement to prepare a simple lexicon on the Chinese language based on the characters which will appear in these lessons.

Statistical Lexicography

Statistical lexicography, one of the most modern branches of lexicology, may be defined as that science which has to do with making words count and scientifically compiling the results. This study has enabled us to determine what the most frequently used characters in the Chinese language are. In this course we plan to proceed on the basis of the order of importance or frequency of use. The first two hundred and fifty characters covered in these fifty lessons will therefore consist of the most important two hundred and fifty characters used in the Chinese language.

這

Character No. 6 (這⁴)

THIS, HERE

Pronounced tze. The z as the z in leisure, and the e as the e in at.

This character is a combination of two radicals, the radical 讠 meaning word, and the radical 言 meaning to go. The last radical is again a combination of the idea to stop; while the radical 口 may be described as a mouth 口 full of words.

那

Character No. 7 (那⁴)

THERE, THAT

Pronounced nu: or na. A as the o in not or u: as the aw in saw.

This is one of the few characters having its radical on the right side of the character. The radical 邑 means a city. When written by itself 邑 you can think of the 邑 as a walled town, and the 那 as the seal of authority. Some have maintained that the whole character 那 was a name of a city somewhere west of Szechwan, whose inhabitants wore furs. When used in the third tone 那 may also mean where? what? who?

個

Character No. 8 (個⁴)

Numerary adjunct, an article, a classifier. Pronounced ko, as the g in good and the o as the o in pole. 人 is the radical. When 人 is used as a radical it is abbreviated as 亻.

The phonetic 固 means firm, shut up, or fortified. 口 an enclosure, and 古 ancient. The character 個 is the most common classifier and is a very convenient one to use when in doubt as to

the proper one.

一

Character No. 9 (一⁵)

ONE, UNITY

Pronounced i' as the e in be, but when in the fifth tone the last syllable is cut short. Many use the h as the sign of this final sound.

This is the first radical, and represents a line of space between heaven and earth. When used at the top of a character it often means a limit, as the sky; when used at the bottom of a character it generally refers to the base, or limit, as the earth. It represents the source of all things. The first of the numerals.

人

Character No. 10 (人²)

MAN, PERSON

Pronounced ren. The r as the r in rich; the e as the e in at.

This character is a picture representing the legs of a man only. This may be an abbreviated form of some more complex character.

Vocabulary List

- | | | |
|-----------|------------|------------|
| 7. (這個) | tze ko | — this one |
| 8. (那個) | na ko | — that one |
| 9. (一個) | i' ko | — one |
| 10. (這個人) | tze ko ren | — this man |
| 11. (那個人) | na ko ren | — that man |
| 12. (一個人) | i' ko ren | — one man |

Sentence Work

- | | |
|-------------|--------------------|
| 1. (這個人)的筆) | This man's pencil. |
| 2. (那個人)的筆) | That man's pencil. |

These simple lessons in the Chinese written and spoken language, the first of which appeared in *The China Weekly Review* on Jan. 17, will appear throughout 1931. Persons interested in a more intensive study in class work or by correspondence are requested to communicate with Prof. Scharffenberg, care THE HOME STUDY INSTITUTE, No. 25 Ningkuo Road, Shanghai.

The Peiping-Liaoning Railway Since its Unification

BY C. K. WEI

IN 1929 when the civil war in China was in full swing the Peiping-Liaoning Railway, formerly the Peking-Mukden Railway, was forced to break into two sections and thus to put up two Administration offices, one of which was in Tientsin and the other in Mukden. However, through co-operation of these two offices, the traffic of the line was not entirely interrupted and the Railway service still continued to give considerable satisfaction to the public. In the latter part of the year when the whole country was united into one unit the unification of the P. N. R. was considered, on the one hand, as a natural development, and on the other hand, as a necessary endeavor for bettering Railway service to passengers and shippers.

Unification of the Line

The first step toward the unification of the P. N. Railway line was to run the Peiping-Liaoning Express trains through the two sections on regular schedule. No sooner had this been done than the question of unification of the two administration offices of the Railway was planned. It was for historical reasons that the Head Office of the Railway was decided to be stationed in Tientsin and the office in Mukden was abolished.

Confronted with the fact that a considerable volume of business of the Railway was being handled in Mukden, it was decided that an office was to be established at Mukden to do the necessary. This office has thus been named as the "Seng Yang office". With this arrangement the unification of the line took place on October 1, 1929.

Upon the unification of the line, the Railway was confronted with various problems of improvements and betterments. It was then determined that a special Commission should be formed, so as to deal with the matters of improvements and betterments, with a view to securing the highest efficiency in the Railway work. Having been sanctioned by the Ministry of Railways, such commission was formed and named an "Efficiency Commission," embodying a personnel of either high education or excellent experience. It goes without saying that the commission has thus far been endeavoring its best in its work for the good of the Railway.

Hulutao Harbor Construction

As the P. N. R. is situated along the coast, a good commercial port, aside from Tientsin which, for some reasons, cannot serve the Railway to its best, is indispensable. The Railway Administration considered the construction of a harbor at a suitable location for quite a number of years. Hulutao was at last deemed to be in the ideal position for being developed as a port. Hulutao is in the Northern port of the gulf of Pechili and is located at N. 40°44' and 120°1' east of Greenwich. The western portion of the promontory is connected with the mainland and the south is used for port development. This port is ice-free in winter and cool in summer. It has a good Railway connection with the P. N. R., and, utilizing the Railway net of the Northeastern provinces and the Railway lines inside the wall, it can practically serve as a mouth for all the producing centres of North China. With the above advantages this future port would certainly be the best mechanism through which foreign and domestic trade could be well developed, and consequently the P. N. R. would no doubt be benefited in its future career. Definite plans for construction of this harbor were drawn up by the Railway administration and sanctioned by the Ministry of Railways. A contract was made with the Netherland Harborworks Co., to complete the construction work in 5½ years. A separate Department was assigned in the Administration to look after the progress of the work of the Netherland company. The whole construction work was undertaken by the said Co., at a cost of G\$6,400,000 and the payment was to be made by monthly instalments from the Railway surplus at a rate of G\$95,000 per month. The inaugural ceremony of the Harbor construction was held on July 2, 1930, at which a great number of prominent guests were present. It is expected that upon completion of its construction the harbor will be used to its best advantage.

Repayment of Loan Services on Due Date

Owing to the civil war of 1927 the repayment of the Double Track loan service to the British and Chinese Corporation was delayed by the Railway and has ever since been in default. But until November 1929, the balance of silver portion of the loan, amounting to \$650,000, was fully paid up. As to the sterling portion of the loan and its interest, it had been arranged that a monthly repayment of £10,000 was to be made. And commencing from March 1930, an additional monthly instalment of \$50,000

was also paid against the sterling portion, so as to expedite the full repayment of the whole of the loan. Ever since this was arranged there has never been any default in this loan service. As to the repayment of the principal of the original loan and its interest, it has so far been made in due time according to the loan agreement.

Committee on Freight Rates

Realizing the strong bearing of Freight Rates upon the business of the Railway itself as well as the development of trade and industry of the country, instruction was given by the Director of the P. N. R. on October 26, 1929, that a committee on Freight Rates should be formed and that all the departmental chiefs and those who are versed in the rate-problem should be appointed to the Committee. This committee is a standing one for going carefully into the matter from time to time so as to cope with the forthcoming development of trade and industry of the country.

Owing to a dreadful famine having occurred in the Northern provinces for the past few years, the people of these regions have met with extreme difficulty owing to high prices of grain. In order to carry over the grain stock from those places along the line where grain production is in abundance, especially from outside of the Great Wall, to these famine regions, the Railway Administration considered making a reduction of freight rate on grains so that the grains overproduced in the three Northeastern provinces could easily be imported into the provinces inside of the wall and consequently the increase in the import of grains would curtail its high price. Instruction was issued on December 5, 1929, for definite plans for the reduction of freight rates on grains. The consequence could be seen in the fact that, aside from considerable quantity of grains having been carried through by the P. N. R. from the outside into the inside of the wall, the revenue of the Railway had also been increased to a certain extent. And, above all, the best result so far accomplished has been the great help rendered to the people of the Northern provinces inside the wall by lowering the market price of the grains in their respective places.

Commercial Conference

One of the remarkable undertakings in the history of Chinese National Railways is the "Commercial Congress" held by the P. N. R. in December 1929. C. Y. Kao, the Director of the Railway, who emphasized the principle of "Railway Commercialization" called for a Commercial Congress in which various authorities of Banks and commercial concerns along the line were represented. The Congress lasted for four consecutive days in four sessions during which Taxation and Levies, Reduction of Rates, Transportation questions, and matters concerning improvements of Railway service were thoroughly discussed. The Railway has been exerting its best efforts to carry out the propositions made in the Commercial Congress, some of which having been put into force already, with others still under careful consideration.

Reorganization of the Traffic and Locomotive Departments

In view of the practice of most of the European and Japanese Railways that the distribution of locomotives and cars is confined to the control of one single Department and that, on the contrary, our Railways work on the practice of placing Locomotives under the control of the Locomotive Department, leaving passenger and freight cars to the charge of the Traffic Department—which practice often arouses inevitable disputes and unhappiness—the P. N. R. deemed it necessary to reorganize the two Departments, putting the control of locomotives and cars under one single Department. According to the reorganization plan, the name of the Traffic Department has been changed into the "Transportation Department" and that of the Locomotive Department into the "Works Department", the latter department only taking charge of works. Much convenience has been experienced by the Railway in handling the traffic ever since such reorganization.

As the practice of shippers being required to pay freight at starting station on delivery of their goods to the Railway for transportation caused considerable inconvenience to the shippers, the Railway thought of the arrangement of permitting the merchants to pay freight charges on arrival of goods at destination. This arrangement has been put into force since May 1, 1930.

On account of the weighbridges at certain station being oftentimes out of order, which has caused some disadvantages either to the Railway or to the shippers, the Railway

has authorized frequent adjustment of all the weighbridges so as to attain accuracy. It has been instructed that all the weighbridges at big stations should be adjusted every 3 months and those at small stations every 4 months.

Through Traffic Conference with Northeastern Railways

Having made the through traffic arrangements with the Ssu Tao, Tao Ang Chi Keh Railways, the P.N.R. was contemplating to handle through traffic with the Shen Hai, Chi Hai, and Chi Tun Railways. A through traffic conference with the above mentioned Northeastern Railways was thus called in April, 1930.

Railway Risk Transportation

In the meantime, the P.N.R. decided to practise Railway Risk Transportation. Having first exercised the Railway Risk Transportation for carload goods for several months the Railway also made arrangements for Railway Risk Transportation for picul goods. This latter arrangement commenced on October 25, 1930, and special appointments were carefully made of the staff responsible for such work.

Peiping-Kirin Through Passenger Service

For the convenience of the travelling public the P.N.R. arranged to run a through passenger train daily from both ends between Peiping and Kirin. The first trains were inaugurated on November 10, 1930.

Nanking-Mukden Through Express Passenger Service

Following the above arrangement the Railway went forth with another new career, namely the Nanking-Mukden through express passenger service. These long-journey through Passenger Express trains commenced to run on November 24, 1930. They have instituted a closer connection between our capital—Nanking and the most prominent political center of North China—Mukden; than had ever been secured before. The accommodations of these trains have so far been satisfactory to the public. The travellers are still looking forward to the increased frequency of the running of these trains and the further improved accommodations in their cars.

The merchants along the line have felt satisfied all the more since the Railway arranged to attach refrigerator cars to trains Nos. 105 and 106. The merchants have now been able to transport fresh goods from place to place during hot weather. As the risk in transportation of fresh goods has been removed, there has been secured an even distribution of fresh goods from producing centers to consuming places, and consequently the consumers of such supplies have been benefitted.

Wireless Stations

In view of the pressing need of several wireless stations to communicate with the Ministry of Railways as well as the other Railways inside and outside the wall, the P. N. R. has put up four wireless stations, namely at Tientsin, Shanhaikwan, Huangkutun and Tungliiao-Hsien. The telegraph communications of the P. N. R. have thus been transmitted by "wireless" in addition to wires.

Plan of Changing Types of Bridges

Encountering the difficulty of running heavier locomotives and trains over the bridges along the line, which have been for the past 35 years of the type of E. 35, the P. N. R. is now figuring on changing the bridges into E 50 type so as facilitate the running of heavy trains for dense traffic.

Examinations

Employment examinations were started by the P. N. R. for clerks for Railway Risk Transportation, General Office clerks, women booking clerks, car boys and pointsmen during the year of 1930. Qualified candidates received their appointments and took up their respective duties. Such examinations aimed at the employment of really qualified personnel instead of appointment simply through personal recommendations.

Night Schools for Laborers

For furthering the education of the workmen of the line, night schools were established by the Railway. All the workmen as well as the office boys were persuaded to attend the schools for free education at night. These night schools at various stations along the line were opened in March, 1930.

Payments for Outstanding Coal Account Being Made to South Manchurian Railway Since April, 1930

To uphold the credit of the Railway with the S. M. R. it was arranged that commencing from April, 1930, a monthly payment of 20,000 Yen was to be paid to the South Manchurian Railway against the outstanding coal account, which had been in default for some time. It has been agreed that, should the financial condition of the P. N. R. improve in future, an additional monthly instalment would be paid against same.

Tientsin, January 10, 1931.

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Development of Motor Traffic in Kueichow

A dozen new motor car chassis recently arrived at Kueiyang via Chinkiang. Omnibus or truck bodies are being built on them. Early next year the Kueiyang-Kuangsi motor road is to be thoroughly repaired and extended to Chenyuan (east Kueichow).

Development of Chapei and Woosung Urged

The development of Chapei and Woosung as rival commercial centres to the foreign settlements was advocated by Wong Hsiao-lan, Chairman of the Chinese Chamber of Commerce on January 17 at the second meeting of the general commercial conference convened in Shanghai by the Shanghai-Nanking and the Shanghai-Hangchow-Ningpo Railway.

Radio Development in Manchuria

In order to extend the system of radio communication in the North-eastern provinces, the North-eastern Communications Committee has ordered the erection of 18 additional radio stations in the three provinces. It is expected that by April the stations will be in operation and efficient radio service will be available at all the principal centres in Manchuria.

Relief for the Unemployed

At the National Internal Affairs Conference opened at Nanking January 15, one of the important problems brought up for discussion was that of unemployment. As a result of the depressed economic conditions, the ranks of the unemployed have increased to such proportions that actual measures in the way of relief, such as reclamation work or other construction enterprises, had become necessary.

China to Participate in Egyptian Agricultural Exhibition

The National Government has accepted the invitation of the Egyptian Royal Agricultural Society to participate in the International Agricultural Products Exhibition, which will be held in the spring for one month at Cairo, the Capital of Egypt. China, being fundamentally an agricultural country, the Ministry of Foreign Affairs has requested the Ministry of Industry to arrange for the despatch of an appropriate collection for the Exhibition.

Kiaochow Railway Earns Good Profits

According to a report by Tan Shu-kue, traffic manager of the Kiaochow-Tsinan Railway, the total income collected during the past twelve months was \$12,700,000. After deducting all administrative and operation expenses, there is a surplus of \$5,000,000. With the restoration of normal conditions in Shantung, the revenue of the Railway for the current year is estimated at \$15,000,000. Up to the present, 18 locomotives and 493 passenger and freight coaches belonging to this Railway are still in use on other lines.

Long Distance Telephone Installation in Shantung

Long-distance telephone service between Tsinan, capital of Shantung province, and Tsining, an important city in south-western Shantung, was formally inaugurated January 18. Eight districts in the south-western part of the province, including Tungning, Ningyang and Wenshang, are being linked up by this line. With the operation of this new service, a total of 28 districts in Shantung are now in touch with one another by long-distance telephone.

Reconstruction Work Procedure

At a joint meeting at Nanking January 15 of the Ministries of Interior, Railways, Communications and Industry, it was decided that all reconstruction works successfully carried out by the National Reconstruction Commission will be transferred to and taken over by the Ministries concerned, while projects and preparations for such new enterprises as farm irrigation, etc., will still be dealt with by the Commission. By a decision of the 4th Plenary Session last November the status of the Commission was changed to a planning committee.

Chinwangtao to Have Its Own Customs Administration

The Chinwangtao branch Customs in Hopei province was last week designated as an independent organ by the Customs Administration of the Ministry of Finance, in view of the rapid development of the port, the annual customs revenue of which has now passed the million mark. Chinwangtao was formerly under the jurisdiction of the Tientsin Customs.

The Hulutao Customs, which is to be established in due course, will be placed under the jurisdiction of the Chinwangtao Customs.

New Ministry of Industry Law

The law governing the Organization and functions of the new Ministry of Industry was formally adopted at the 125th meeting of the Legislative Yuan. The new Ministry will have seven Departments, namely, General Affairs, Agriculture, Industry, Commerce, Fisheries and Pasturage, Mining and Labor; and one Bureau, namely, the Afforestation and Reclamation Bureau. There will be from six to ten Secretaries, four to six Councillors; from 24 to 32 Divisional Directors; from 120 to 160 staff members; one or two Supervising Experts; 24 Experts; 32 Assistant Experts and from 20 to 30 assistants.

To Develop Soya Bean Trade Abroad

A representative of the North-eastern Soya Bean Producers' Association arrived in Nanking last week from Shenyang and called on Dr. H. H. Kung, Minister of Industry, to consult upon measures for direct foreign trade by the bean merchants in Manchuria. The plan of the Association is to develop ocean trade immediately with the South Sea Islands and extending the route later to Europe and America. A delegate has already been sent to South Sea ports to effect arrangements. It is understood that certain shipping companies have also agreed to assign vessels for the transportation of bean products directly between Manchuria and the South Seas.

Goods Held For Likin at Canton Handed Back To Owners

The Canton Treasury office recently ordered the release of shipments of silk and piece goods which had been seized by the likin office. Merchants had refused payment of duties on these shipments on the ground that the goods were native made and that likin had been abolished. The goods were then seized. The Chamber of Commerce filed a protest against the seizure. The treasury office answered that while likin had been abolished some old taxes, including the fortress tax, still existed. However they decided that the goods should first be released and the matter adjusted afterwards.

Trial Flight to Germany Next Month

With the expected arrival early next month of the shipment of four airplanes ordered from Germany, preparations are being made by the Euro-Asia Aviation Corporation to commence trial flights in China for the Nanking-Berlin air mail and passenger service as soon as the planes arrive and are assembled. Five cities including Shanghai, Tsinan, Peiping, Dolon Nor and Manchuli have been designated as regular ports of call, where radio stations will be established for weather reporting purposes.

Herr Schmidt, representative of the German Luftansa Company, is proceeding to Nanking from Peiping to attend the meeting of the Board of Directors of the Corporation, which is scheduled to be held this week.

Use of Native Goods Urged

The use of domestic goods and the practice of thrift were emphasized by President Chiang Kai-shek at a dinner given in Nanking recently at the Military Officers' Moral Endeavor Society. President Chiang attributed China's poverty and weakness to the fact that while we are living in a period when the consumption of commodities is according to the standard of the 20th century, China's methods of production are still centuries behind. To remedy this defect, therefore, the Chinese should first encourage the use of native products so that the enormous sums expended on foreign goods may be saved to the country, and at the same time be economical in clothing, food and shelter, so that China may be given an opportunity to recover from its impoverished condition.

Soya Beans Merchants Ask Relief from Government

Confronted with financial difficulties, owing to the decline in the price of soya beans as a result of the violent slump in silver, the Chinese Chamber of Commerce at Harbin has drawn up emergency measures which they have presented to General Chang Hui-ching, the Administrator-General. The merchants ask that the Chinese authorities use soya beans as security for issuing bank notes to the amount of \$50,000, that the bank notes thus issued be used for the purchase of soya beans, and the payment of taxes and railway charges; and that the North Eastern Political Committee send a control commission to Mukden to control the price of soya beans. The merchants also ask that freight charges on the Chinese Eastern Railway be reduced.

Annual Meeting of Chinese Engineering & Mining Co., Ltd

The eighteenth annual ordinary general meeting of the Chinese Engineering and Mining Company, Ltd., was held in London recently.

The Chairman said that the outstanding feature of the report and accounts for the year ended on June 30, 1930, is that while the business and profits of the Kailan Mining Administration had been satisfactorily maintained compared with the preceding year and the Company's share in dollars is almost exactly the same, the heavy fall in exchange had seriously reduced its value in sterling. Consequently the net profit of the year was £263,953, against £361,297 in the preceding year, before providing for income tax, which necessitated a reduction in the dividend. A balance dividend of 4 per cent, making 9 per cent for the year, free of tax, was declared. The gross profit of the Kailan Mining Administration for the year amounted to \$9,548,715. After providing for interest on the six per cent. Kailan bonds, £48,240, redemption of bonds for the year £24,000, reserve for depreciation, \$1,432,307, the proportion of profit to which the Chihli Provincial Government is entitled, \$259,571, and other items, there remained a net profit of \$5,655,044.

Foreign Trade Association Inaugurated

The China Foreign Trade Association, which has been organized in accordance with a resolution of the National Industrial Conference for the promotion of China's foreign trade was formally inaugurated January 17 at the Shanghai Bankers' Association. Dr. H. H. Kung, Minister of Industry, presided.

Addressing the meeting, Minister Kung said that ever since he assumed office as Minister of Industry, Commerce and Labor, the promotion of China's trade with foreign countries was in the forefront of his program.

At the National Industrial Conference held last year a resolution was adopted calling for the organization of a China Foreign Trade Association, it being also planned to form in the near future a large-scale trading corporation for the development of China's export trade. Acting upon the resolution, the Ministry had entrusted Messrs. Chen Kuang-fu and Chang Kung-chuan, the two well-known bankers, with the task of organizing this association. After preparations extending over two months, they had succeeded in bringing the proposal to realization.

Continuing, Minister Kung pointed out that the foreign trade balance of China had been growing more unfavorable year by year. That China's industries lagged far behind those of the western industrial states was undeniable.

While measures for the promotion of foreign trade, such as the establishment of the Bureau of Commercial and Industrial Information, the Bureau for the Inspecting and Testing of Commercial Commodities, the appointments of foreign trade commissioners and the despatch of special delegates to attend the International Raw Silk Conference had already been instituted by the Ministry, it must none the less be emphasized that the development of foreign trade would depend as much upon the efforts of the merchants themselves as upon those of the Government. What the Government could do in the way of promoting foreign trade was confined to the removal of various obstacles, formulation of plans and schemes and the supply of information. The brunt of the task of carrying on the foreign trade must be borne by the merchants themselves.

After referring to the extremely useful work which the Foreign Trade Council of America had been doing,

(Continued on page 300)



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Who's Who in China

Tse-ming Tsai, electric engineer; born at Sinyangchow, Honan 1902; educated in Nanyang University, Shanghai and was sent by the Honan Provincial Government to study engineering in U. S. A. in 1924; attended Purdue



Tse-ming Tsai (Tsai Tse-ming)

柴志明

director, Anking Municipal Electric Light Works, Anking, 1929 to the present; address: Anking Municipal Electric Light Works, Anking, Anhwei.

University, Indiana graduating with degrees B. S. in M. E. and B. S. in E. E., 1926; student engineer, Studebaker Corporation, South Bend, Ind. and testing engineer, Westinghouse Electric and Manufacturing Co., E. Pittsburgh, Pa., 1926-27; head instructor on automobile engineering, Central Military Academy, Nanking, 1927-28; senior engineer, department of construction, Anhwei Provincial Government and director, Bureau of Long Distance Telephone of Anhwei Province, Anking, 1928-29;

Yeesheng L. C. Tao, diplomatic official; native of Chekiang; born at Canton, Kwangtung, 1889; received his preliminary education in private schools at Canton; when still a mere boy, he already acquired the reputation of a scholar in Chinese literature and successfully passed the literary examinations; desirous of a modern education, he went to Peking and there entered the Peking College of Languages, from which he was graduated at the head of his class in 1911; joined the Ministry of Foreign Affairs and became a colleague of Dr. C. C. Wu; ever since then and for the last seventeen years intermitently, he has been serving under that Ministry, though at different times, he also held important posts under the Ministries of Finance



Yeesheng L. C. Tao (Tao Lu-chien)

陶履謙字益生

and Interior; appointed attache to the Chinese Legation at Lisbon, Portugal in 1917, but did not take up his duties there owing to the Great War; secretary and later Charge d'affaires of the Chinese Legation in Mexico, 1918; before returning to China to rejoin the Ministry of Foreign Affairs, he was sent to Cuba on a special mission; helped the Ministry of Finance in its domestic loan reorganization work, 1922-23; special Commissioner of Foreign Affairs for Chihli, 1925; during the Tariff Revision Conference in

1926, he was in charge of its secretarial work; joined the Ministry of the National Government at Nanking in 1927 and was appointed by Dr. C. C. Wu, then Minister of Foreign Affairs, as chief councillor and concurrently director of the general affairs department of the Ministry; after the overthrow of the Peking Government, he was despatched to the North to take over the defunct Ministry of Foreign Affairs in Peiping; when his mission was completed, he resigned from the Ministry and became a councillor of the Special Municipality of Peiping and concurrently commissioner for the development of Peiping; appointed special Commissioner of Foreign Affairs for Kwangtung in 1929 and in this capacity, he did much to maintain the cordial relations between the Chinese Government and the foreign consular officials in South China; when the office of the Commissioner of Foreign Affairs was abolished by a mandate of the National Government, he was appointed Inspector General of Foreign Affairs for five southern provinces (Chekiang, Fukien, Kwangtung, Kwangsi and Kweichow) with his Headquarters at 8, Wen Tuk Road, Canton and concurrently high adviser to the Kwangtung Provincial Government which positions he is now holding; he is a recipient of Chinese Government decorations, Chia-ho and Wen-hu & French Legion d'Honneur; permanent address: 17 Chao Tang Tse Hutung, Peiping.

Famine Victims Employed in Canal Excavation

A recent report by the China International Famine Relief Commission states that two thousand famine sufferers are being engaged in excavating the new main canal of the Wei Pei Irrigation system. These people are farmers recruited from the drought stricken regions west of Sianfu. More are to be taken on as the work extends, and as soon as warm weather returns the construction force will be greatly increased.

For the transport of materials, including some 1,200 tons of cement now being sent in, a new earth road has been graded between Cha Kou on the Wei River and the intake of the proposed irrigation system. This road covers a distance of fifty miles and will be ready shortly, the work having been started last December by the engineering department of the Famine Relief Commission.

U. S. Consular Invoices Not Required for Duty Free Goods

According to a recent U. S. Treasury Department decision Consular invoices will not be required for merchandise over \$100 in value unconditionally free or subject only to a specific rate of duty not dependent on value when a simple inspection or cursory examination is sufficient to determine the classification of such merchandise, provided the commercial or pro forma invoice presented with the entry has been sworn to as correct and true in every respect and sets forth all the necessary information for customs and statistical purposes. If, because of doubt as to classification at time of entry a bond was required for the production of a consular invoice, the bond may be cancelled if the subsequent report of the appraiser shows that the merchandise is free of duty or that the duty is not dependent on value.

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46 Szechuen Road,
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Men and Events

The League of Nations Council assembled at Geneva January 19 for its 62nd meeting.

J. H. Jacobsen, manufacturers' representative of the Remington-Rand Company, is a visitor in Shanghai.

Reginald Sweetland of the *Chicago Daily News* has returned to Shanghai after a tour of Manchuria and North China.

The tourist liner *Belgenland* is due in Shanghai February 10. She will continue on to Hongkong and Manila the following day.

Lt. Col. L. M. Cosgrave, U. S. Trade Commissioner in Shanghai, announces that he is proceeding to Canada on a business tour in about a month.

Approximately 4,000 lbs. of opium, valued at \$50,000, was seized by Shanghai Customs officials January 17 on the British river steamer *Kungwo*.

McFarland Hale arrived back in Shanghai during the week from a business trip to Japan. Mr. Hale is representative of the Otis Elevator Company.

Mrs. T. B. Ferguson, a well known author residing at Oklahoma City, Okla., passed through Shanghai during the week in the course of a round-the-world tour.

Mei Lan-fang, the Chinese actor who attained such great success in the United States several months ago, gave several performances in Shanghai during the week.

The death occurred January 19 of Wang Tso-chiu, a prominent resident of the French Concession, and general manager of the Great World amusement enterprise.

Major F. W. Gerrard, Shanghai Municipal Commissioner of Police, is proceeding to England on a holiday next month. Capt. R. M. J. Martin will act in his absence.

Mrs. H. R. Ekins, wife of the manager of the *United Press* in Shanghai, is back at her home, 1488 Avenue Joffre, after several week's treatment at the Country Hospital.

F. D. Harrison, manager in Colombo for the Goodyear Tyre and Rubber Company, was a passenger arriving in Shanghai January 19 in the *President Hayes* en route to Ceylon.

Percy Chu, chief auditor of the Central Bank of China, spoke on "Note Issues and Reserves of Chinese Banks in Shanghai" at the Shanghai Foreign Y. M. C. A. January 20.

Dr. C. T. Wang, the Nanking Foreign Minister, who had been slightly indisposed, was taken to a hospital in Tientsin January 20, and his departure for Nanking was postponed for a few days.

Mr. and Mrs. Walter Granger were due to leave Peiping January 22 for Kobe en route for the United States. Mr. Granger was a member of Roy Chapman Andrews' Gobi expedition.

Memorial services for the late Nathan Straus were held by the Shanghai Jewish Community at the Beth Aharon Synagogue, January 19. A. Krisel, U. S. Commissioner, was among the speakers.

W. I. Eisler, marine surveyor, has proceeded to Sinti, beyond Hankow, to survey the Yangtze Rapids steamer *Chita* stranded at that point. Mr. Eisler made the trip from Shanghai to Hankow by airplane.

J. H. Kelly, a private in the U. S. Marine Corps stationed in Shanghai, was shot dead in bed between 10 and 11 o'clock on the night of January 18, under circumstances which indicated that the shot was self administered.

Henry Kinney, publicity agent for the South Manchuria Railway, with headquarters in Dairen, arrived in Shanghai during the week and is scheduled to sail for Manila January 24, returning here about a month later.

At a meeting of the Japan-Manchuria Traffic Conference held in Tokyo January 20 resolutions were approved to resume cargo transport service between Japan and Manchuria, both via Vladivostok and via Dairen.

A seaman named Alexander was sentenced to 60 days imprisonment in the U. S. Consular Court January 17 for assaulting a Chinese while drunk. He will be released at an earlier date provided a berth on an outgoing vessel is open for him.

R. J. Corbett was elected president of the board of governors of the Shanghai Columbia Country Club at the annual meeting of members January 16. N. F. Xavier was elected vice president. The meeting was presided over by J. B. Davies, retiring president.

The American Association of University Women met at the German Country Club, 454 Avenue Haig, Shanghai,

January 22. A paper, "Symbols of Buddhism" written by Pastor E. Krueger of the German Community Church was read by Mrs. Lydia Krill Kupfer.

L. E. Gale, president of L. E. Gale and Company, and G. W. Brophy, manager of the aviation department of the same firm, flew to Nanking January 16 in the Waco biplane *Phoenix*, which Mr. Brophy planned to use in his flight to Manila, starting from Shanghai January 21.

The death occurred at San Martin, California, December 19, of Dr. W. L. Best, American veterinary surgeon, who had been for many years in Manila and Shanghai. His son, Edgar, is a resident of Shanghai. Another son, Merton, was with Dr. Best when he died.

Captain Robert Dollar, founder of the shipping line which bears his name, now 86 years of age, is reported seriously ill at San Rafael, California, following an operation for bladder trouble. He is expected back at his office in a week or so.

Bruno Schwartz announced during the week that he has resigned from the Claude Neon Lights, Fed, Inc. Mr. Schwartz published the *Hankow Herald* until about two years ago when he proceeded to Europe and negotiated for the introduction of the Neon advertising lights into China.

An action to nullify the marriage of her daughter to Chang Kuh-ming, of the Cotton and Cotton Goods Exchange, has been brought in the Shanghai District Court by Mrs. Shen Wang-sz. Mrs. Shen claimed that she did not have any knowledge of the marriage.

A party of nine members of the Tokyo Municipal Assembly, accompanied by Mr. Furuhashi, chief secretary of the Assembly, and Mr. Koizumi, head of the Investigation Section of the Tokyo Electricity Bureau, are visiting in Shanghai. The main object of their visit is to inspect the railless tramcar service here.

T. V. Soong, Minister of Finance, returned to Shanghai during the week, after attending a conference at Tientsin with Marshal Chang Hsueh-liang and other northern leaders. He is occupied at present with the final arrangements for the establishment of the new Consolidated and Consumption Tax Bureau.

Hon. Geo. C. Butte, formerly Attorney General to Porto Rico, who was recently appointed as Vice Governor of the Philippine Islands, is announced to address the Pan-Pacific Association at the Cathay Hotel February 6, at 12.30 p.m. on Porto Rican Affairs. Mr. Butte will stop over in Shanghai for a day on his way to the Philippine Islands.

Funeral services for the late Mrs. Julia Trevor Cieh, wife of Dr. Y. J. Cieh, were held Shanghai, January 18. Mr. Cieh, who was English by birth, died after an illness of several months. She married Dr. Cieh in 1918, after which they came to Shanghai from England. Three sons survive, the eldest being 11 years of age and the youngest three.

The first meeting of the Liberal Cosmopolitan Club recently organized in Shanghai was held December 18, at the Chinese Bankers' Club. Dr. Lin Yu-tang presided. The following officers were elected for the year: Chairman, Dr. Lin Yutang; vice-chairmen, Mrs. Lung-ch; and E. T. Nash; secretary, Miss Jeanne B. Perkins; treasurer, Rudolf Herz.

Moh Teh-hui, plenipotentiary to the Sino-Soviet Conference, who, after his arrival from Moscow, recuperated in a hospital at Harbin, departed for Mukden January 18 in response to a summons from Marshal Chang Hsueh-liang. Following a brief stay in Mukden, Mr. Moh will leave for Nanking to receive fresh instructions regarding the Moscow negotiations.

Admiral Yang Shu-chuang, Minister of the Navy and concurrently Chairman of the Fukien Provincial Government, departed for Foochow on the gunboat *Pu-an* from Nanking January 18 accompanied by Cheng Pao-ching, Provincial Commissioner of Civil Affairs, Chen Tse-quei, Provincial Commissioner of Education, and a large staff. The Admiral had been conferring with President Chiang Kai-shek on rehabilitation measures for Fukien.

The Bureau of Public Health of the City Government of Greater Shanghai, is even at this early date, formulating measures to combat cholera next summer. The present plan includes only such measures as are practicable under the present financial conditions involving necessary expenditure and giving good results. Radical steps such as the extension of public water supply, improvement of housing conditions etc., requiring large expenditure will be temporarily left aside.

J. B. Powell, correspondent for *The Chicago Tribune*, has returned from a trip to Tientsin.

W. S. Leonard, manufacturers' representative of Shanghai, is on a business trip to North China.

H. J. Timperley, correspondent for the *Manchester Guardian* in Peiping, has returned to Peiping from a trip to Shanghai.

Mrs. F. Oliver, whose husband is connected with Reuters service at Shanghai, has returned to China from a trip to England and the United States.

J. W. Moss, special representative of the Goodyear Tire and Rubber Export Company, has returned to Shanghai from a business trip to the United States.

F. E. Vincent, manager of the American Foreign Insurance Association of Shanghai, has returned from a business trip to Tientsin where he opened a new office for his company. Hugh Black, formerly of the Shanghai office will have charge of the branch in Tientsin.

Communism Threatens U. S. Institutions, Says Congressional Committee

The Congressional investigating Committee of the House of Representatives at Washington which had been investigating Communism reported January 17, that Communism threatens the overthrow of the American Government and that Soviet Russia soon will be able to finance a world-wide revolution. The committee, under the chairmanship of Representative Hamilton Fish of New York, had conducted hearings for many months. In the report he filed with Congress, Representative Fish envisages Communism as an active and dangerous force which is harmful to American institutions. "There is a mortal enemy within our borders," the report of the Fish committee states. "It is aiming to destroy our Republican form of government and cause a revolution to bring civil war to the United States." The report urges that Congress take action to outlaw the Communist Party and that either federal or state action be taken to bring about the deportation of alien Communists. The report urges that Congress appropriate adequate funds to enable the Department of Justice to check the activities and bar the entrance of alien Communists into America. It urges that a drastic ban be placed on the importation into the United States of Soviet Russian goods manufactured by convict labour.

Representative Nelson, in his main minority report, contended that Communism is not progressing in the United States. He favored but little additional legislation to combat what "red menace" there is. However, he recommended that American consular agents abroad exercise more care in selecting immigrants when they apply abroad for passport visas to enable them to enter America. Representative Nelson said he favors the swift deportation of criminal aliens. He contended that Communism does not constitute a real threat to the stability of American institutions.

Telegraph Head to be Removed, Says Nanking Report

A telegram from Nanking in the *Sin Wan Pao* January 16 stated that the Ministry of Communications has decided to relieve Chwang Chih-huan from his post as Director General of Telegraphs and Telephones and that the various departments concerned have already been prepared to effect a transfer to new hands. This action followed a Governmental Order issued to the Executive Yuan at Nanking January 15 to the effect that in accordance with the letter from the Secretariat Department of the Central Executive Committee stating that a petition had been received and approved by the said Committee from Liu Tse-hwa, representative of the whole body of telegraphic workmen of Kiangsu and other provinces, urging that Chwang Chih-huan, should be severely dealt with for his improper conduct in the recent cable negotiations which, as a matter of fact, had resulted in the great loss of China's sovereignty as well as prestige and that the concession of the fifteen year period for cable landing rights privately granted to the Cable Companies by Chwang should be entirely cancelled and proper negotiations be re-arranged.

In the conference held between the Cable Negotiation Committee on the Ministry of Communications and the Commercial Pacific Cable Company January 20 a definite decision of the following three items was effected: Arrangement for division of the international telegraphic tolls; design of the sign-boards of the company; type of blank form for outgoing messages.

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New Books of Interest in the Far East

The Curse of Propaganda

Spreading Germs of Hate, by George Sylvester Viereck, with a Foreword by Colonel Edward M. House. 311 pages and published by Horace Liveright, New York, N. Y.

No one ever read Lord Fisher's note on March, 1916 to Admiral Tirpitz in which his lordship said, "I do not blame you for this submarine business. I'd have done the same thing myself, only our idiots in England wouldn't believe it when I told 'em" until he has read this book. This statement of Fisher's is one of the many documents which have never been made public until George Sylvester Viereck decided to write his revelations.

Spreading germs of Hate is the true story of the part played by propaganda—English, Irish, German, American etc. in the United States during the World War and afterwards. This book is an eye-opener and not an indictment. It reveals how public opinion is manipulated by any government which wishes to keep it own country, or one other one in the required state of emotional frenzy about "the enemy."

One of the most interesting bits of information which the author tells us is that Sir Gilbert Parker was the official chief of British propaganda in the United States until 1917, when his place was taken by Sir William Wiseman, the British Propagandist-in-chief, whose name is still not mentioned in standard works on propaganda. Mr. Viereck reveals for the first time the true story of the presidential election of 1916: the wires pulled: how Irish politicians played with Jewish and German-American votes: Woodrow Wilson's attitude towards the "hyphenated vote" situation: the plan of the General Staff for the invasion of the United States, shown to the author by Theodore Roosevelt, which later turned out to be a fake.

This is only an indication of the amazing facts, the ingenious methods the dramatic scenes disclosed by Mr. Viereck in this exciting book of which Colonel House writes in his introduction: When the World War was raging, and charges false and true were made by one belligerent nation against another, few would have been willing to prophesy that eleven years after peace had been made, there would be found anyone who had been in the thick of the contest who would write of it so calmly and so fairly as George Sylvester Viereck has done in this book.

In his introduction the author says, "Propaganda is the primary weapon of the world's invisible government. The microbes it scatters infect humanity like a plague. My book is an attempt to administer an antidote or a serum against this scourge by inculcating Propaganda Resistance. No one can escape the propagandist. But if we become propaganda-conscious, we may in time develop a measurable degree of immunity. With that object in view, I narrate here, for the first time, the part played by propaganda in the United States during and after the war."

If the book accomplishes nothing else it certainly does give us some absorbing information about the sinking of the *Lusitania*—information which has never been made known before. It appears that at a meeting of the German Propagandist Cabinet in the United States, every member voiced his fear that a German U-boat would sink a large passenger steamer carrying many American passengers.

Viereck, who was a member of the Cabinet said that something had to be done. "Sooner or later, he said, some big passenger liner with Americans on board will be sunk by a submarine. Then there will be hell to pay."

"This is War", said one of the German naval experts, who was occasionally present at conferences such as these. "The British blockade, starving thousands of German children, is more inhuman than our submarine warfare."

"You do not think," said another member "that we can persuade Mr Bryan to issue a warning to all American passengers against entrusting their lives to any ship flying the flag of the belligerents?"

The Cabinet finally decided to advise the German Embassy to issue that notice which subsequently appeared in American newspapers and which startled the whole of the country at the time. The notice was as follows:

TRAVELERS INTENDING TO EMBARK ON THE ATLANTIC VOYAGE ARE REMINDED THAT A STATE OF WAR EXISTS BETWEEN GERMANY AND HER ALLIES AND GREAT BRITAIN AND HER ALLIES; THAT THE ZONE OF WAR INCLUDES THE WATERS ADJACENT TO THE BRITISH ISLES; THAT IN

ACCORDANCE WITH FORMAL NOTICE GIVEN BY THE IMPERIAL GERMAN GOVERNMENT VESSELS FLYING THE FLAG OF GREAT BRITAIN OR OF ANY OF HER ALLIES ARE LIABLE TO DESTRUCTION IN THOSE WATERS AND THAT PASSENGERS SAILING IN THE WAR ZONE ON SHIPS OF GREAT BRITAIN OR ALLIES DO SO AT THEIR OWN RISK.

WASHINGTON, D. C. IMPERIAL GERMAN EMBASSY

APRIL 22 1915.

The announcement made a sensation but it was ignored. The *Lusitania* sailed with a full passenger list, including 114 Americans, and Captain Schwieger, commander of the U20, had also embarked upon his fateful trip. Viereck, who was editor of the *Fatherland* rushed to his desk and inserted, in the forthcoming issue of the paper once more warning Americans against entrusting their lives to British ships. But the issue of the *Fatherland* with Viereck's editorial was hardly on the news stands when the streets were filled with the clamorous "extras" announcing the sinking of the *Lusitania*. New York gasped with horror. The German Propagandist Cabinet in America was aghast. The very thing they tried to forestall had happened. American lives were lost. America was on the verge of war. There was indeed hell to pay!

The British Ambassador, Sir Cecil A. Spring-Rice in an official statement to the State Department, accused the editor of the *Fatherland* of a "guilty fore-knowledge" of the sinking of the *Lusitania*. It was probably the first time in American history that the Ambassador of a great power complained to the state department, officially, concerning an American citizen.

The book contains most of the cartoons and posters which brought hundreds and thousands into the ranks of the armies and navies of all the belligerent nations. Inspired as these cartoons were to create hatred against the Enemy, it is interesting to see them from this distance of time with dispassion. Who has forgotten Ellsworth Young's poster which was a portrait of a German soldier as a ravisher of women and which was calculated to raise the blood of the American taxpayer to the boiling point and to lighten his pocketbook in the purchase of Liberty Bonds? Then again the Marine Corps poster by James Montgomery Flagg which typified the attitude of the public mind after twenty-one months of propaganda?

What of the myth of the *Kadaververwertungsanstalt* (Establishment for the Utilization of Corpses) which sprang from the brain of General Charteris and was one of the devices employed by British propaganda to bring China, where the respect for the dead is a religion, into the World War? There is no doubt that the boiling of dead German soldiers for the purpose of extracting fat and turning it into lubricating oils was taken seriously in America and Great Britain.

The book is a mine of information. It brings us in close contact with the horrors of war and the younger generation who have not tasted blood on the battle-field would do well to assimilate its contents so that they may be safeguarded against the wiles of the master propagandist whose duty it is to sow the seeds of war in times of peace, and to sow the seeds of hatred in times of war.

H. B. C.

A Survey of the World

Wider Horizons, The New Map of the World. By Herbert Adams Gibbons. The Century Company, New York, 1930. 402 pages with appendix and index.

Those of us who met Herbert Adams Gibbons in China recall his penetrating vision. He now and then gave friends a glimpse into the pages of this book before they were bound in a volume. We have heard him speak some of the pungent phrases that he wrote here so his book has an added interest to Shanghai residents.

His friend, Dr. Henry van Dyke, suggested the title, and Dr. Gibbons has carried the figure through studies concerning New Measurements of Time and Space; New Forms of Motive Power; the Healthier and More Efficient World in which We Live; Cultural Migrations; Growth and Distribution of the Human Race; International Trade and Investments; Woman's New Place in the World; Labor in Politics; the Influence of Youth on Contemporary History; Thirty Years of Church History; International Organizations; and War Against War. The appendix of thirty pages enumerates map changes the world has seen between 1898 and 1930. The index is copious and comprehensive.

Dr. Gibbons, with the trained mind of a historian, has brought together many interesting and arresting facts.

His conclusions are worthy our thought. "It is regrettable that statesmen and publicists and writers of contemporary history devote themselves so wholly to the political aspects of international relations. Economic laws are always silently at work, and when their corrective influence frustrates the intentions and efforts of government action which has been prompted by political considerations passions and prejudices are intensified. Bad faith is imputed where it would not be if only the people were told the truth. . . . The economic illusions of the World War had their origin, of course, in the bitter feeling and the sentimentality engendered by the conflict. What seems to us absurd now, appeared quite reasonable at the time.

But there is one purely political illusion that should be pointed out, because it gave rise to all the economic illusions. Washington scored it in his Farewell Address. It is the assumption that nations do not act from self-interest, and that friends today will be friends tomorrow. The factors that brought together the formidable alliance against Germany were not sentimental. When the victory was achieved, the solidarity of the days of crisis disappeared. Each of the warring nations began to think again in terms of the interests of its own people. Years of mutual misunderstanding followed. In the end common sense made them all agree that they had become interdependent. Return to reason, in so far as international trade was concerned, was as great a benefit to the victors as it was to the vanquished."

Here are two paragraphs regarding the Bolsheviks and Marxism. "Believers in Bolshevism, however, explained the break-down of the Socialist Utopia by stating that Marx had founded all his theories upon an international social revolution, and had never affirmed that they could be worked out where one country, under the new order, was surrounded by others still under the old."

"Many of the most prominent figures in the political life of Europe, notably in France and Italy and Poland, got their training and began to make their reputation as members of Marxian Socialist parties. We need only mention Millerand, Briand, Viviani, Mussolini and Pilsudski. These five men, and a number of others whose evolution was as equally marked, gradually detached themselves from the doctrines they had held as they mounted the ladder of political power. Mussolini was once a political exile, and Pilsudski was convicted of attempting to assassinate a czar of Russia and banished to Siberia. . . . Mussolini is the only "ruler who seems to have all his young folks where and how he wants them."

The former world-wide dependence upon war was universal. America was as keen for it as other nations. "When the United States was engaged in the path of expansion she refused to submit to arbitration moot questions that she felt could be solved to her advantage by the use of force; Spain was willing to arbitrate the sinking of the Maine in 1898; we did not want to avoid war. We rejected Colombia's offer to arbitrate the Panama episode in 1923. Although we had arbitrated the long-standing Canadian fisheries question and the Alaskan boundary dispute of Great Britain, we would not listen to London's suggestion to submit to arbitrators the Canal tolls controversy. Although Mexico suggested on several occasions the reference to arbitrators of our complaints against her land and oil legislation, it was not until 1927 that the American Congress was willing to meet Mexico half-way."

Dr. Gibbons thinks now that new countries to exploit are few there must be a greater reliance on economic factors, a more efficient recourse to arbitration. The chapter, War Against War, shows the latest trends and achievements. The last two sentences are as follows—"Public opinion becomes more insistent year after year that some way, other than appeal to force, be found for the settlement of international disputes and the composition of international rivalry. The people of no country in the world want war, and they are better able to avoid being dragged into it than they used to be."

The author's easy style makes fact often more interesting than fiction, and we catch the thrill of world changes from his pages.

December 4, 1930.

G. B. S.

Shanghai Loan & Investment Co. Declares 12 Percent Dividend

The Shanghai Loan & Investment Co., Ltd. directors have recommended the shareholders to pay a final dividend of Tls. 0.35 per share, thus making Tls. 0.60 per share or 12 per cent. for the past year's working. The balance of profit and loss account including the sum of Tls. 30,455.38 brought into the accounts from the previous year, is Tls. 259,837.80.

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China Foundation Makes \$200,000 Annual Grant to Peiping University

The trustees of the China Foundation for the Promotion of Education and Culture, who met in conference in Shanghai last week made an annual grant of \$200,000 for the next five years to the Peiping University. The grant will be made to the Peiping Government University for the employment of professors and lecturers, the purchase of apparatus, etc.

Dr. Roger S. Greene, one of the American trustees, who is director of the Rockefeller Foundation in China, moved the resolution, which was seconded by Dr. Monlin Chiang, former Minister of Education, and now Chancellor of the Peiping University, and carried unanimously after a lengthy discussion. Dr. Chiang was requested to co-operate with the executive committee of the China Foundation in the work of formulating methods of putting the resolution into effect.

The conditions under which the grant will be made, according to a statement by Dr. Hu Shih, one of the Chinese trustees, are that the China Foundation and the Peiping University each shall set aside \$200,000 a year, making a total of \$400,000, for the next five years, as a special fund, which shall be used for the employment of lecturers at yearly salaries of from \$6,000 to \$9,000 and professors at yearly salaries of from \$4,800 to \$6,000. Part of the money shall be used for the purchase of books and apparatus for the lecturers and the professors and also to enable poorer students to obtain higher educations and to encourage students to pursue higher studies both at home and abroad. Lecturers and professors invited and employed under this fund shall in no circumstances accept concurrent positions in other educational institutions during the period of their employment by the Peiping Government University, Dr. Hu stated.

Governor General of Philippines to Make Goodwill Tour

Governor-General Dwight F. Davis of the Philippines and a staff of Philippine government officials will make a goodwill visit to neighboring countries during March and April according to a recent *United Press* dispatch from Manila. It is proposed to make use of the U.S.S. *Pittsburgh* flagship of the Asiatic Fleet, for the tour. The party will include Miss Cynthia Davis and Dwight F. Davis, jr., Rafael Alunan, secretary of agriculture and natural resources; Filemon Perez, secretary of commerce and communications, E. B. Schwulst, vice-president of the Philippine National Bank, who is attached to the Governor-general's staff as financial adviser; Colonel Maxwell Murray, aviation expert of the Governor-general's staff, and Captain E. B. Whisner, aide to the Governor-General. French Indo-China, Siam, Singapore, Java, Sumatra, Borneo and possibly other of the Dutch East Indies are included in the tour.

Japanese Telegram Says Tientsin Conference Was a Failure

A *Rengo* dispatch from Peiping January 19 quotes an "influential person" who attended the Tientsin Conference as saying the conference was a fiasco in view of the fact that the Shansi and Kuominchun Generals could secure only \$400,000 as the reorganization funds from the Mukden Marshal, although these generals attended the conference to obtain a lion's share of the funds from the young Marshal. In the circumstances, he continued, it will be wellnigh impossible to reorganize the Shansi and Kuominchun forces numbering 200,000 men, and therefore, the Shansi and Kuominchun leaders will be obliged to maintain the status quo, raising the reorganization funds by themselves.

French Government to Remove Legation to Nanking

Official quarters in Nanking are quoted by *Reuter* as stating that the French Government has definitely decided to transfer its Legation from Peiping to Nanking. The French Consulate building, it is stated, will be used for the time being by the French Legations and the private residence of General Ho Yao-tau, General Chiang Kai-shek's Chief-of-Staff, will be the new quarters of the French Consulate.

Outbreaks in the Philippines

A band of Moros attacked the Mindanao Lumber Company's plant in Nagasag, Zamboanga Province, on the night of January 14, killing four laborers and wounding many others, according to a telegraphic report to Colonel Luther R. Stevens, commander of the Constabulary forces in Mindanao. A Constabulary detachment was rushed from Zamboanga city to apprehend the attackers.

Fifty-seven persons, including 13 women, were charged in Manila January 19 with sedition as a result of the Colorum outbreak at Tayug on January 11. The latest reports, based on admissions by the women prisoners, show that the Colorum outbreak had been planned months ahead.

The real brain behind the movement is reported to be a man of considerable education. He is still at large.

Tomas Confesor, director of the Philippine Bureau of Commerce and Industry, after a trip to Nueva Ecija Province, which adjoins Pangasinan, reports that the agrarian situation is ripe for communism owing to the abuses of landowners. He says that tenants are kept in perpetual debt, landowners charging as much as 100% interest a year.

Mr. Confesor adds: "The present state of things in the big plantations in Central Luzon is indeed pregnant with danger. Something drastic must be done by the government. There are more Colorums at Nueva Ecija than anywhere else in the Islands. A great majority known as Colorums are nothing more than discontented tenants writhing under the exploitation by landowners."

Honorio Ventura, Secretary of the Interior of the Philippine Islands, who had proceeded to Tayug to report on the recent outbreak there, after his return to Manila stated that the cause of the recent Colorum outbreak was fanaticism. The majority of the attackers, he said, were ignorant people and there was no sign of Communist instigation or agrarian trouble. Mr. Ventura cleared the Constabulary of the charge of negligence, saying that the soldiers could not know of the outbreak when the Colorums themselves did not know that there was going to be a meeting until they were almost facing with the Constabulary and were told to kill. Only the supreme leader of the Colorums, said the Secretary of the Interior, knew what was going to happen. His followers were summoned but were not informed of their mission until the hour of the attack.

Arctic Weather at Harbin

A Harbin correspondent reports that two policemen stationed at Tipao, a suburban district of Harbin Municipality, and another policeman stationed at the corner of the North Eastern United Steam Navigation Company premises in that city were frozen to death during the night of January 9, when an extremely cold wave hit the east coast of Asia. According to C. E. R. Meteorological Observatory, the temperature at Harbin dropped to C. 41 degrees below zero on Jan. 10, which broke a new record since the establishment of the said Observatory. The lowest records during recent 24 years show the following:

Date	Degrees below zero
Jan. 24, 1907	Contigrade 40 Degrees
Jan. 22, 1915	" 40 "
Jan. 8, 1931	" 37 "
Jan. 9, 1931	" 36 "
Jan. 10, 1931	" 41 "

It is further alleged that the temperature at Manchuli and beyond fell to C 50 below zero, as a result of which the special train for the Director General of C. E. R., Mo Teh-hwei took a long time en-route.

C. E. R. Manager to Attend Through Traffic Conference

The Russian Manager of the C. E. R., Mr. Rudyi and three other prominent members of the C. E. R. staff, accompanied by Ussuri Railway and S. M. R. authorities proceeded to Japan Jan. 13 to attend the Through Traffic Conference held there Jan. 19.

Another 600 C. E. R. Employees to be Paid Off

With a view to realizing service economy, the Board of Directors of the C. E. R. have decided to discharge and to pay off 600 employees during the following periods:

Before February.....	180
Up to Middle of February.....	200
Before March 1.....	220

Robbing and murder cases in Harbin have been prevalent of late. The elimination of these employees will add to the general disorder.

The CHINESE NATION

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N THE FIELDS OF FINANCE AND RECONSTRUCTION

(Continued from page 291)

Minister Kung concluded with the hope that the entire business and industrial community in the country would realize the new circumstances which they were now facing and strive on with a new spirit and new methods,—more rational and scientific than those hitherto adopted.

Dog Racing Interests Defy Municipal Council

The Shanghai Greyhound Club on January 19 addressed a long letter to Stirling Fessenden, Director General of the Shanghai Foreign Municipality, challenging many of the statements made in the Municipal Council's letter of January 8 ordering the dog racing tracks to close on March 31 next. The Club argues that dog racing is a harmless sport of the same category as pony racing. They particularly ask that the Council should leave the matter for the Ratepayers to decide at the annual meeting which takes place in the month of April.

H. Arnhold, former Chairman of the Shanghai Municipal Council, under date of January 20 addressed a letter to the Press, from which the following are extracts:

"I think I am correct in stating that the agitation amongst the Chinese against dog racing was also instigated by the promoters of the 'Wheel.' The Council's present attitude is, I understand, not so much due to Chinese agitation but to the fact that a certain company offered to present a Town Hall to the community provided it was allowed to conduct gambling within the Settlement limits and that the Council felt that in order to be consistent in turning down this application steps should be taken to put a stop to dog racing. In other words, a situation has arisen identical to the one with which the Council was confronted at the time when the 'Wheel' was closed down.

"If the British authorities do not take steps to close the dog racing institutions, is it not due to the fact that as certain decisions have meanwhile been given in the courts in Great Britain to the effect that pari-mutuel betting at dog race courses is legal, it is impossible to take action against these institutions out here?

"If, for reasons of political expediency, it is considered desirable that dog racing should cease, those responsible for the conduct of the two courses within the Settlement are, as would appear from the published correspondence, willing to comply with this policy, provided adequate compensation is paid to shareholders who have put their money into these companies as the result of the Council's approval, as indicated by the exchange of correspondence in 1927 and 1928. Is it not reasonable, if the matter is to be decided purely for reasons of political expediency, that such compensation should be paid by the community as a whole in whose interests this policy is being put into force?

"The offer which the Council has made to take over the leases and pay compensation to employees, without having any regard to the monies invested in buildings, equipment, etc., can hardly be considered to be adequate. Has it never occurred to the Council that their proposal runs counter to the main argument in favor of the retention of extraterritoriality. One of the chief arguments in favor thereof which has been used in the past has been that the Chinese courts do not function impartially but are subject to political pressure. I need only cite the Sheng Kung Pao case where an attempt was made through the court to confiscate the fortunes of the Sheng family. Is not the Council's proposal tantamount to confiscating the property of the two Greyhound Racing Companies for purposes of political expediency and are not the Council adopting the very procedure which, quite rightly, arouses protest when attempted through the medium of the Chinese Courts?"

T. V. Soong Makes Statement on New Taxation

T. V. Soong, Minister of Finance, who proceeded to Tientsin last week, together with a number of other leading members of the National Government, in an interview reported in the Chinese press, stated that the Central Government has decided to introduce two new taxes, in order to meet the deficiency in the national revenues. These two new taxes are the Consolidated Tax and the Special Consumption Tax.

Mr. Soong mentioned that cigarettes, matches, cement, flour and cotton yarn would come under the Consolidated Tax, which would be collected at the places where they are produced and that, although as many as 19 different commercial commodities will come under the Special Consump-

tion Tax, only three or four of the latter will be taxed in each province. Both the Consolidated and Consumption Taxes will form part of the revenues of the Central Government, according to Mr. Soong, who mentioned further that, in future, commercial commodities having once been taxed will be exempt from further taxation throughout the country. Employees of the bureaux for the collection of the two new taxes will be selected from the Chinese staff of the Customs Service and, should the number not be sufficient, others will be recruited by the Central Government by competitive examination.

In conclusion, the Finance Minister stated that the proposed business tax would form part of the revenues of the local governments.

The *Sinwanpao* states that the collection of the consolidated cigarette and flour taxes was already being enforced by the Ministry of Finance, and that the regulations governing the collection of the consolidated yarn, match and cement taxes would come into force as soon as they were approved and promulgated by the Central Government.

Assisting the Merchants

Interviewed by members of the Chinese Press, an official of the Shanghai Consolidated Tax Bureau stated that the introduction of the Consolidated Tax would greatly help the merchants and tend to lighten their financial burden because, after the Consolidated Tax was collected at places where goods were produced, such goods which had thus been taxed would be exempt and free from further taxation wherever they were whenever they were moved. Offices would be established in various places to examine cargoes but goods would be released as soon as it was proved that they had paid the Consolidated Tax. Therefore the official said, all corrupt practices which prevailed among the likin collectors would be done away with. The rate of the Consolidated Tax would be such that it would enable native merchants to compete with foreign merchants, the official concluded.

News Notes from Peiping

Peiping, January 14, 1931

As a result of the order from the Central Government for the abolition of likin and other similar taxes, the Peiping Octroi offices were closed and taken over by a delegate sent by the Ministry of Finance of the Nanking Government January 1. Instructions have been sent to the offices at the city gate-ways and the branches at Fengtai, Kupeikow, Nankow and North Tungchow to stop levying any taxes on goods coming in after January 1 and to wind up their affairs by January 15. It is stated that with the closing of the Octroi offices in Peiping 1,000 employees will be put out of work. In view of this, officials connected with those taxes are being given one month's pay, but they are demanding a further three months' pay. No reply to this request has yet been received from the Ministry of Finance. It is further stated that the \$56,000 monthly allowances to the local public primary and secondary schools, which have heretofore been drawn from the Hatamen Octroi, will be provided by the Hopei provincial government.

Hollington Tong, the founder of the *Tientsin Yung Pao*, recently arrived in Peiping. He was entertained at a reception in the Western Returned Students' Club by the Peiping Chinese journalists.

It is reported that Mr. Tong has been appointed managing editor of the *China Press*, which has been recently taken over by the company which operates the *Shun Pao*, and the *China Times*.

In a press interview January 8, General Pao Yu-lin, director of the Peiping Public Safety Bureau, declared that he would start a relief campaign for the destitute with cotton clothing on account of the unbearable cold weather here.

General Pao, as all local residents know, has done much towards poor relief work since he assumed his office. The most notable work has been the establishment of the congee stations and a free supply of bedding.

Professor R. H. Tawney of the London School of Economics is the guest of Yenching University for two weeks. He is accompanied by Mrs. Tawney and Mr. Holland of the Institute of Pacific Relations.

Professor Tawney is visiting the East under the aegis of the Institute of Pacific Relations, and studying agrarian problems in China. During his stay in Yenching he will conduct discussion groups on problems of social and economic changes.

Indian Conference Comes to an End

The concluding proceedings of the Indian Round-Table Conference took place in London January 19.

Premier MacDonald in closing the conference made a speech in which he reviewed the work of the past ten weeks. He was cordially cheered when he renewed his promise to confer dominion status on India. He gave assurances that India was destined to achieve full self-government.

Mr. MacDonald said the conditions attached to the working of the Constitution of India, had been practically agreed by the Conference, but he pointed out that many important questions were outstanding, including the problems of communities and the various details for safeguarding them. This work, he asserted, must not be left to the bureaucracy of either country. He hoped that the British parliamentary parties would continue their co-operation in further negotiations and explorations and he appealed for the continuance of a frank and candid expression of opinion. He proposed to confer immediately with the new Viceroy (Lord Willingdon), who was arriving in England in a few days, and to agree with him upon a plan for the continuance of the negotiations and the maintenance of personal contacts.

Mr. MacDonald read the Government declaration which stated that, in the view of the British Government, the responsibility for the government of India should be placed upon the legislatures, central and provincial with such provisions as may be necessary to guarantee, during the period of transition, the observance of certain obligations and in order to meet other special circumstances; also, with such guarantees as were required by the minorities to protect their political liberties and rights.

The Maharajah of Patiala, Sir Muhammad Shafi, Spinivasa Sastri and the Begum Shah Nawaz thanked Mr. MacDonald and his colleagues and also the Liberals and Conservatives for their help, guidance and encouragement.

To this the Premier replied thanking them and saying there was still much work to be done and hoping that they all would be spared to see it substantially advanced.

An early substantial increase in the Indianization of the Indian Army and the establishment of a training college in India for officers of all arms of the Indian Defense Services were the chief recommendations made by the Defense Sub-Committee of the Round Table Conference. The Committee also advocated the utmost reduction in the number of British troops in India.

Lord Irwin, the Viceroy of India, referred to the Round Table Conference in a speech at the opening of the Legislative Assembly at Delhi, India, January 17. He said: "Great Britain has realised, as she has heard it at first hand from all sections of the Indian delegation, something of the new forces that are animating the political thought of India." He described the Conference as the turning point of the constitutional history of India.

Viceroy Says Recent Crimes Are Stain on Name of India

In the course of his address before the Assembly at New Delhi, India, January 17 Viceroy Irwin, referring to what he described as "crimes of violence which have deeply stained the fair name of India," said, "The experience of past months leaves no doubt in regard to the existence of an organization whose insane objective it is to promote the overthrow of established government by the deliberate creation of a state of terrorism." The Viceroy referred to the wide condemnation of outrages as showing "growing recognition of the urgent, paramount need for removing this malignant cancer in the life of India."

Disorders Continue in India

Nearly 100 people were injured and sent to hospital as a result of Police lathi charges at Bombay January 15. These charges arose out of the organization of a hartal in protest against the execution of four men condemned to death and hanged at Poona recently for being implicated in the Sholapur riots of last May in which several policemen were murdered. Nearly all mills in Bombay closed for the day when 140,000 mill workers struck in connection with the hartal. The entire police force of 5,000 was mobilized together with two companies of the East Lancashire regiment. The Bombay government had previously issued a warning, against these activities in connection with the executions. The demonstrations were organized by the Bombay Congress "war council."

The police at Bombay intervened in a meeting of millhands which was being held the following day in the Parel area. Two persons were injured.

The Police at Ahmedabad opened fire January 14 on a crowd, after failing to disperse it by other means. The crowd was demonstrating in sympathy with the men executed at Poona recently for murder in connection with the Sholapur riots last May.

Two Indians Who Figured in Recent Events

Chanan Singh, one of the Sikhs who was arrested by the British authorities, in December, ostensibly for being drunk and disorderly, but evidently because of seditious



Chanan Singh

activities, later became ill and was lodged in the Isolation Hospital. Chanan escaped from the hospital into Chinese territory and took refuge in the Gurdwara. Chinese and Settlement police took him into custody there but when Chanan called on his country men for help, they responded, assaulted the Police, particularly those from the Settlement, and freed Chanan. They later allowed Chapei police to take him. The custody of Chanan then became a "diplomatic" issue between the Settlement and the Chapei authorities, and at last reports the latter still held him.

Kartar Singh was arrested on December 3 together with Chanan Singh. The former, and another Sikh, Surjan Singh, were tried at the British Court



Kartar Singh

January 6, found guilty, sentenced to two months' imprisonment and to be deported. Surjan Singh tried to get his pamphlet read into the court record, but the British Judge denied the application. The pamphlet, in English and Chinese, is headed, "India Needs Your Help." The first sentence reads: "The Devil is let loose in India and the British Government, the history of whose rule is a black record of sacrilege and shame, is now giving full play to its heinous crimes in India."

Air Line to be Started in Philippine Islands

The first regular air transportation service in the Philippines will be inaugurated next month when three new planes, owned by the Philippine Air Taxi Company, go into operation. The Philippine Air Taxi Company some time ago put in an order for a three-passenger Waco which is due to arrive in Manila February 2. The company recently cabled to the United States an order for two more planes, one a Stinson cabin plane with a capacity for four passengers and a pilot, and the other an American Klemm which will be used as a training and scouting plane. The two planes will be in Manila the first week of February and the air taxicab service is announced to open not later than February 10.

China as a Potential Market for Sugar

(By George G. Gaydash, in Commerce Reports, Nov. 10)

Sugar at present is selling in the free markets of the world at a very low price, owing to relatively large production in recent years. China has long been regarded as a great potential sugar consumer. The purchasing power of the native population of China is small, however, and sugar will have to sell at prices about the same as the simpler foods, if its consumption is to increase.

Small Per Capita Consumption

It has been estimated by Chinese unofficial sources that the consumption of sugar in China during 1924 was only four pounds per capita. At present it is believed to range from 4½ to 5 pounds per capita. Per capita consumption of sugar in the United States during 1929 is estimated at 108.1 pounds.

This negligible consumption in China is due to the low standard of living of the masses. The poorer classes enjoy sweets but consume sugar and candy sparingly. Agricultural products having a high sugar content, such as raw sugarcane and baked sweetpotatoes, are sold on the street by hawkers. Hard candy of decidedly poor quality is also sold by hawkers, who receive an average price of about one-sixth of a cent for a piece the size of a cube of sugar. The Chinese use little coffee and still drink their tea unsweetened. Sugar candy or rock sugar is regarded as a luxury, selling as a sweetmeat in the interior. The soft, white sugar is the most popular, being eaten with chopsticks instead of a spoon. It is a specially prepared grade of sugar, slightly moist and pastelike when eaten.

Production of Sugar in China

Both cane and beet sugar are produced in China. Sugarcane has been cultivated in the country for centuries and it is believed it was the Chinese who introduced it into Java, the Philippine Islands, Formosa, and Japan. Records show that fair amounts of Chinese sugar were imported into New York during the Eighteenth century. It has always been regarded as a luxury in China, and often constituted the tribute to the ruler from those Provinces which cultivated it.

Cane sugar is now produced principally in the Provinces of Szechwan, Kwangtung, and Fukien. The estimated production in these three Provinces during 1927 was between 210,000 and 235,000 long tons. Beet sugar is produced principally in Manchuria and the Provinces of Shansi and Hopei. Other areas are suitable but little or no beets are raised, because the cultivation of other crops is more profitable.

The estimated total production of all kinds of sugar in China during 1927 was between 265,000 and 300,000 long tons. Owing to military activities and disrupted transportation, and to the inability of domestic sugar to compete successfully with imported sugar, it is believed in the local trade that the annual production of sugar in the whole of China during 1929 and the current crop of 1930 would not exceed 270,000 long tons.

According to latest reports, there are 10 sugar refineries and 6 sugar factories in China, Hong Kong and Manchuria. The great bulk of the sugar produced is made by small mills employing crude processes. The sugar produced in these mills is of three kinds, green (dark-brown), brown (light-brown), and white. The sugar is dark brown in color when it is drawn from the brewing vats, and it is bleached through exposure to the sun. The green and brown kinds are only slightly bleached, while the white is subjected to an extended bleaching process.

Kinds of Imported Sugar

Sugar imported into China from abroad is divided into five varieties—brown, white, cube or loaf, and sugar or rock candy, Java, Hong Kong, and Japan and Formosa being the principal suppliers. That which is imported from Japan, through Japanese merchants, is known as Japanese sugar; from the Straits Settlements via Hong Kong as British sugar; and from Java as Dutch sugar.

Brown sugar is used largely by the refineries for mixing with native sugar, but is also used extensively by confectioners and bakers, and by native doctors.

White sugar enters into general use and is classified according to color instead of sweetness or other properties. The best grades of white sugar are used by households of the better classes and are also used for fruit preserving, sweet making, and the making of higher grade cakes and pastries.

Refined sugar loosely includes all sugar refined with bone ashes or of a color equaling or superior to No. 26 Dutch Standard. This kind of sugar is divided into two classes—large crystals, which are used in making fruit sirups, and small crystals or ordinary granulated sugar, used in the households of foreigners and wealthy Chinese.

Cube or loaf sugar includes refined sugar in ordinary cube and half-cube sizes.

Sugar candy shows a wide latitude, including all kinds of sugar in large crystals, rock candy being the most popular.

Shanghai and Hankow are the most important sugar markets. Dealers from several Provinces have buying offices established there, as well as in Hong Kong, Tientsin, and Swatow. The trade is believed to be shifting from British to Dutch control, as sugar from Java and Sumatra is selling in the local markets at prices less than the British product.

Marketing Methods

Only a few the largest firms have an established marketing system. They have Chinese dealers throughout the interior who are bonded to the importing firm through the deposit of title deeds, bank guaranties, or other collateral. Sugar is shipped to the dealers on open account, and at the end of each month or other stated period the dealers remit to the firm the receipts, less selling commission from the sales.

The ordinary importing firms do not have agents. They obtain orders for future delivery from the local sugar merchants and in turn place these orders abroad. Upon arrival of the sugar in the port, the firm notifies the local merchants, who, according to the terms stipulated in the buying contract, take delivery in 10 days, 1 or 2 months. The practice of taking delivery in 10 days is becoming quite general. The volume of "spot" business is insignificant. After taking delivery of shipment from the importing firm, the local merchant effects shipment to his customers throughout the region.

Packing

Brown sugar manufactured in China and Japan is packed in mat bags, reinforced with rattan or split bamboo strips of 133 (1 picul) to 200 pounds (1½ piculs) net weight. Brown sugar from Java and the Philippine Islands is packed in jute bags of 200 pounds net weight.

White and refined sugar manufactured in China and Japan and white sugar from Java is packed the same as brown sugar. Refined sugar from Java and white sugar from Cuba is packed in double jute bags of 220 pounds (100 kilos) net weight. Refined sugar from Hong Kong is packed in single jute bags of 133 pounds or in cotton bags of 100 pounds. Cube and loaf sugar is packed in cartons of 1 pound and 5 pounds, and shipped in cases of 50 pounds net.

Sugar candy from Java is packed in jute bags of 333 to 360 pounds net weight, while that from the United States and Europe is in jute bags of 100 pounds net, and that from Japan in wooden cases of 6.7 pounds. Upon arrival in China, the sugar candy is repacked in cartons and tins, ranging in size from an ounce or so to 5 or 10 pounds net. This article is in high favor as a gift, and for this reason the cartons and tins are usually very attractive.

Import

Imports of sugar into China during the last five years, for which statistics are available, according to statistics taken from "Foreign Trade of China," issued by the inspector general of customs, at Shanghai, were as follows:

	Long tons
1928.....	818,091
1927.....	599,765
1926.....	696,600
1925.....	687,275
1924.....	530,360

Segregated statistics on the varieties of sugar imported and the source of imports for the year 1928, according to the same source of information, follow. Imports in 1927 totaled 599,715 long tons, of which 176,088 tons, 166,131 tons, and 160,381 tons came from Hong Kong, Java, and Japan and Formosa, respectively. The United States supplied 92 tons as compared with 73 tons in 1928.

Source of Chinese sugar imports in 1928

Country of origin	Brown	White	Refined	Loaf	Sugar candy	Other grades	Total
Java.....	74,308	221,104	12,389	—	546	—	308,347
Hong Kong ..	77,221	101,319	31,332	108	11,975	3	221,958
Japan & Formosa	3,279	25,701	178,416	789	3,685	103	221,863
Korea.....	126	5,957	15,769	—	27	—	21,879
Philippines ..	20,479	—	—	—	—	—	20,479
Russia.....	1,075	7,829	6,045	212	841	1	16,003
Macao.....	2,043	5,103	423	—	46	—	7,620
Straits Settlements	2,044	53	—	—	3,307	—	5,404
Belgium.....	—	—	—	—	3,188	—	3,188
Other countries	—	178	345	154	631	42	1,350
Total	180,575	367,249	244,709	1,263	24,146	149	818,091

NOTE.—Exports and reexports totalled 1,493 tons.

Competition in the Chinese sugar market is very keen. If one is to compete successfully, it will have to be on a price basis, meeting quality requirements on a parity with competing sugars now established in the local trade. To be introduced successfully, it may even be necessary to sell slightly below current prices, until a foothold is obtained.

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Russia Develops Soya Bean Cultivation

BY A. A. R.

It is a well known fact that Manchuria is gradually losing her dominating position as a soya bean producing country and that the consuming nations are eager to replace the beans by other oleaginous seeds, much cheaper in price, or to start their own cultivation of soya beans. This is particularly true of Russia, which until recently has been importing beans from Manchuria, but now has resorted to cultivating these beans within her own territory.

The growing demand in Russia for beans and especially bean oil is explained by the fact that the population feels an extreme shortage of animal fats and is, therefore, obliged to consume products from oleaginous plants. In a country where butter is regarded as a luxury, which cannot be had in every kitchen, bean oil will, naturally, have a general demand.

This is realized by the government, which is striving to expand the cultivations of soyabean as much as possible (of a species called the Manchurian soya bean, which is distinct from Japanese soya bean, such as Ohtenashi, Naga Uzura, etc.). The best suited climatically for the purpose are regarded the Maritime province, with Vladivostok as the capital, and Kuban province, in the region of North Caucasus. The Maritime Province, which borders with Manchuria, had cultivated soya beans long before the Great War, but this industry did not develop as Manchuria was supplying beans very cheaply and in quantities almost without limit. It should be remembered that the Chinese Eastern Railway was at that time in the complete control of Russia and the conditions were especially favorable to Russia, so it is no wonder that the export of beans to that country flourished.

Russian Importations from Manchuria

In pre-War time the area sown under soya beans in the Maritime province did not exceed 740 acres, with a crop yield of no more than 3,000 tons per annum. The import of beans from Manchuria into the Maritime and

Transbaikalian provinces reached during some years 37,000 tons. During the War years the cultivation grew up to 22,230 acres in the best year, but after 1917 it diminished considerably due to civil war and the disturbed conditions of the country. The following table, taken from a Soviet official paper, gives an idea how the cultivation of soya beans has been progressing in the Maritime province alone:

Years	Area cultivated in acres	Crops in tons
1923	16302	4400
1924	19019	7150
1925	31866	17650
1926	60480	26000
1927	52368	25800
1928	51870	25000

We have no data for the years 1929 and 1930, but there is every reason to believe that the area sown and crops harvested were not below the figures of the last two years of the above table. The Five-Year Plan, designed to cut short the imports of every description and place Soviet Russia at least on a self-supporting basis, aims at 74,100 acres to sown under soya bean in the Maritime province alone, but we cannot say whether this can be accomplished or not.

For the purposes of extraction of oil they have two modern oilmills, both government owned, and many others, privately owned, including those maintained by the peasant co-operative societies. The statistics given for 1927-1928 show 24,000 tons of beans crushed, most thereof by the government owned mills, the working capacity of which is said to be 200,000 tons, if fully employed.

Another region, well suited to soya bean cultivation, is Kuban province of North Caucasus, and also territories around the Black Sea. Cultivation of beans in these territories dates back to 1927 and 1928, the experiment having been rewarded by unexpected success. It is now planned to extend the cultivation as far North as the Don and Volga Rivers. Kuban province had in 1927 only 1,729 acres of land under soya beans, whereas in 1928 it had already 22,230 acres. Besides the named regions the Soviets have the Ukrainian "black soil" territory, supposed to be especially well suited to bean cultivation.

Russia to Grow Its Own Beans

From the foregoing it is very evident that Soviet Russia is going to cut down the importation of soya beans to the smallest possible figure and institute her own industry, purporting to satisfy at least her own needs. To be sure, this will not be attained at once, for as the populace becomes accustomed to the feeding properties of beans the demand for them will grow, so that the importation from abroad—we mean Manchuria—will be kept up for some years to come.

Thus, we are faced with the fact that the consuming countries, and among them Russia, have resorted to cultivation of Manchuria soya bean within their domains with an express intention to cut down the importation thereof to the smallest possible size. Unless wise measures are taken to revive the industry the soya bean business is doomed. Undoubtedly the question of the future of soya bean production and its marketing has assumed a grave position, which should attract the attention of everyone who takes the economics of this country to heart.

Mukden, January 12, 1931.

Manchurian Bean Cake via U. S. S. R. to Western Europe

The Review's correspondent at Harbin writes that the bean-oil industry, the most important among the industrial enterprises in North Manchuria, has been much impaired by the present general depression. Many of the 70 bean-oil mills located in Harbin and elsewhere in the country have suspended work for an indefinite time, and those continuing in operation have decreased the output of the oil and its by-product (bean cake) to a minimum. The demand for Manchurian bean-oil on European markets declined almost to nil and the oil and cake have fallen in prices to such an extent as to make a further carrying on of the enterprise almost impossible.

Struggling against the adverse situation the Harbin oil mill owners devised a plan to export bean cakes to Western Europe via the U. S. S. R. The plan, if it goes into effect, will open new and bright prospects for the business. Hitherto the whole lot of bean cake produced in this country was usually disposed of by the mill owners to Japanese exporting firms. As the latter were the only buyers they appeared on the market as untrammelled controllers of same and managed, therefore, to keep the prices very low, indeed.

There has always been a considerable demand for Manchurian bean cake on the part of some of the countries in Western Europe. But experiments made by exporters to ship the goods to Europe by sea proved to be unsuccessful; for the bean cake shipped got damp through absorbing moisture from the air and got rancid when conveyed through the torrid zone. The railways of the U. S. S. R. are therefore the only route by which bean cake can be transported from Manchuria to European countries, predominantly to Germany and Denmark, where it can be largely used for feeding cattle, or undergo re-pressing, as the local mills not being equipped with up-to-date machinery, leave more than one-third of oil in the cake, or it can be turned into other substances of utility. That the plan is a practical one can be seen from a comparison of the prices for bean cake here with those on European markets. While the prices in Harbin range between 25 and 30 gold sen per pood, they are around one gold yen on the London and Hamburg markets. There is, of course, a great obstacle in the path to realizing the plan, namely the great distance this bulk commodity has to be transported but the Harbin office of the Hebeexport, a Soviet Trading Organization, has made representation to the Soviet Railway Authorities to the effect that a special low freight tariff on this commodity should be established so as to permit the business to bring a margin of profit.

According to a Chinese newspaper in Harbin the Union of the Bean Oil Millers has already obtained permission from the Chinese Authorities of the special Area to export bean cakes via Manchuli. And at a conference recently held by the members of the Union it was resolved to despatch a number of representatives of the Union to trading centers in Europe; it was also further resolved to form a special commission to ensure that the bean-cake to be exported to Europe should be made of a high-grade bean. It is expected that the first parcels of bean cake to be shipped via the U. S. S. R. will go forward during the second half of this month. The consummation of the plan means not only revival, but also a further promotion of the bean oil industry, as well as of the cultivation of beans in North Manchuria.

How New Customs Tariff Affects North Manchuria

The enactment of the new Chinese Customs tariff on January 1 caused a great deal of excitement and discussion among Harbin merchants. The local newspapers, too, devoted a considerable space to articles on the subject. With the exception of a few items of the new tariff it has been almost unanimously welcomed by the press. The merchants of Harbin are somewhat embarrassed as to whether to express gladness or regret with regard to the enforcement of the new tariff. On the one hand they are inclined to welcome it, because they think that the large quantity of goods they have in stock at present can be disposed of more quickly to the population, who fearing that the prices for the goods to be imported after the promulgating of the new rates of import duty will be much higher than now, will rush to buy the goods now in the hands of the merchants. On the other hand, looking ahead and taking into consideration the collapse of the export campaign of this season and the disastrous fall of the value of the local currency (Yen 1 to \$2.55 as per to-day's rate of exchange), the merchants fear to find themselves finally at a loss, as the purchasing power of the population will diminish to such an extent as to make them unable to buy goods to be henceforth imported—which will be necessarily much higher in price both because of the raised tariff and the decline of the currency.

The reduction of the rate on agricultural machinery has been especially welcomed, as this means furthering and improving agriculture in the country. But some disappointment has been caused both among the traders and public in general by the increase of duty on automobiles and motor-trucks, and patent drug stuffs, since these articles are not manufactured in China at present, nor does it seem likely that they will be in the near future.

Harbin, January 13, 1931.

Fall in Silver Is Blamed on India

Senator Pittman, according to a *Reuter* telegram from Washington, blames the fall in silver prices to Great Britain's policy of dumping Indian silver on the world market. Senator Pittman, who is chairman of the foreign relations sub-committee which is engaged in studying the decline in silver, said that the report of the sub-committee would recommend, firstly, negotiations to suspend the British-Indian silver policy; secondly, a silver loan to China; and, thirdly, an international conference to study the future use of silver as money and its exchange value. Senator Pittman said that he saw nothing antagonistic towards the committee's program in the recent statement by the Chinese Minister of Finance, T. V. Soong, that China was unwilling to accept a silver loan and that the idea of the loan was an attempt by American silver interests to dump their surplus of the white metal on China.

Senator Pittman interprets the statement of T. V. Soong, Chinese Minister of Finance, to mean that what China was mostly interested in is action which will end the steady drop in the price of silver and thus restore the purchasing power of silver. The Senator said that he thoroughly agreed with Mr. Soong, adding that for so long as the threat under the British-Indian silver policy existed, silver speculators everywhere would continue to sell silver, thus adding to the depression.

Senator Pittman credited the decline in silver to selling by Chinese speculators, who sold because they knew of no hope until the British authorities announced the suspension of their policy of selling hundreds of millions of silver coins as bullion.

Shanghai American Chamber of Commerce Opposes Silver Loan

The Shanghai American Chamber of Commerce January 19 despatched a cablegram to the Chamber of Commerce of the United States, emphatically voicing its opposition to the any silver loan sponsored by American silver interests being made to China.

The cable reiterated that the local Chamber is definitely against any silver loan by American interests to China, adding that the Chamber does not believe in further sales of silver in the open market for any government account.

A sensation has been caused, according to a *Reuter* telegram from Nanking January 20, by Hu Han-Miin, chairman of the Legislative Yuan, making an unqualified declaration in favor of the much-discussed American silver loan to China. Mr. Hu stated that Dr. Sun Yat-sen, the founder of the Kuomintang, supported a program of using foreign capital for the development of China. With this silver loan, Mr. Hu said, the Chinese Government could develop industry, complete its railway and highway construction program and organize its monetary system.

Latest New York Stock Exchange Quotations

Market: Firm

Business Done 1,329,260 Shares
January 21.

1930 High	Div \$ Low	per Sh.	STOCK	Jan. 19	Jan. 20
37%	14%	1.60	Adams Express	18½	19%
136%	104%	4.00	American Can	107	109%
101%	25	—	American & Foreign Power ..	27½	29
76%	11½	—	American & For. Power W. ..	14%	15%
79½	38	4.00	American Smelting	42½	43%
274½	170%	9.00	American Tel. & Tel. ..	181½	185
130%	99½	5.00	American Tobacco "B" ..	109½	110½
124%	47%	*3.00	American Waterworks ..	54½	56½
81%	25	2.50	Anaconda Copper	32%	33%
33%	16%	*1.00	Atlantic Refining	20%	20%
122%	55%	7.00	Baltimore & Ohio	76½	77%
110%	47%	6.00	Bethlehem Steel	46%	48½
50½	15	1.00	Borg Warner	22	23
33%	7%	—	Calumet & Hecla	9½	9%
52½	35½	2.50	Canadian Pacific Railway ..	40%	41
362%	82½	6.00	Case J. I.	83	85½
43	14%	1.00	Chrysler	16½	16%
44%	14%	p.20	Cities Service, Com. ..	16%	17%
87	30%	2.00	Columbia Gas & Electric ..	34	34%
37%	7½	.75	Columbia Graphophone ..	7%	8%
29%	7½	.60	Commonwealth & Southern ..	9	9
6%	1%	—	Consolidated Gas. of N. Y. ..	83½	85
136%	79½	4.00	Continental Oil	9½	10%
30%	7%	—	Curtiss Wright Co.	3%	3%
14%	1%	—	Du Pont de Nemours ..	84½	86½
145%	80½	4.00	Eastman Kodak	144½	148½
255%	142%	5.00	Electric Bond & Share ..	40%	42½
117%	37½	6% S	Fox Film "A"	27	27½
67%	16%	4.00	General Aviation	5%	5%
34%	4%	—	General Electric	42	43½
95%	41%	1.60	General Foods	49%	50½
61%	44%	3.00	General Motors	36%	36%
54%	31½	3.00	General Railway Signal ..	69%	69%
106%	56	5.00	Gold Dust	33	33½
47%	29	2.50	Goodrich Rubber	15½	16%
58	15½	—	Goodyear Tire & Rubber Co. ..	41	40½
96%	35½	5.00	Granby	15½	15%
59%	12	2.00	Hudson Motors	22½	22½
62%	10	3.00	International Cement ..	Unq.	50½
75%	50	4.00	International Combu. Eng. ..	2½	2½
14%	1%	—	International Harvester ..	48%	51%
115%	43%	2.50	International Nickel ..	14½	15%
44%	12%	1.00	International Tel. & Tel. ..	22%	23
77%	17%	2.00	Johns Manville	57%	61
148½	48%	3.00	Kennecott	24	24½
63%	20½	2.00	Kreuger & Toll	21½	21%
35%	20%	1.60	Kroger Grocery	22%	23½
48%	17%	1.00			

114%	76%	4.00	Liggett & Myers, "B" ..	87%	88%
95%	41%	3.00	Lowes: Inc	46½	48
28½	8%	—	Lorillard P (Co) com- ..	13%	13%
44%	9½	—	Ludlum Steel	12%	13
49%	15%	—	Montgomery Ward	16%	17½
32	9	1.00	Nevada Consolidated Co. ..	11	12½
192%	105%	8.00	New York Central	118	122
107½	45	3.00	Pacific Lighting	46%	53
23%	7%	.60	Packard Motor Car	9½	9½
77½	34%	4.00	Paramount—Publix Corp ..	41%	42½
86%	53½	4.00	Pennsylvania Railroad ..	59½	60½
16½	5	.20	Pennroad Corporation ..	6%	7½
44%	11½	*2.00	Phillips Petroleum	12%	13%
123%	65	3.40	Public Service of N. Jersey ..	74	76½
69%	11%	—	Radio Corporation	12%	13%
50	14%	—	Radio-Keith Orpheum ..	16½	17½
58%	40	3.00	Reynolds Tobacco "B" ..	43	43
100%	43%	*2.50	Sears Roebuck	47½	48%
25%	5%	—	Shell Union	9½	10
94%	11	—	Simmons Company	15%	15%
72	40%	2.00	Southern California Edison ..	47½	47½
29%	14%	1.50	Standard Brands	17%	18½
129	54½	3.50	Standard Gas & Electric ..	58%	60%
84%	43½	*1.00	Standard Oil of N. Jersey ..	46½	47%
40%	19%	1.60	Standard Oil of New York ..	23½	23½
60%	23%	3.00	Texas Corporation	31½	32
67%	40%	4.00	Texas Gulf Sulphur	46	47
89%	40%	3.00	Timken Roller Bearing ..	43%	44½
47%	10%	1.00	Trans America	12%	13½
106%	52½	2.60	Union Carbide & Carbon ..	55%	58
212%	166½	10.00	Union Pacific Railway ..	187	188½
99	18%	—	United Aircraft & Transp't ..	23½	24%
52	13%	.50	United Corporation	18	19½
15	11	—	U.S. Rubber	12%	12%
198%	134%	7.00	U.S. Steel	139	140%
143%	44%	3.00	Vanadium	46%	48½
80%	9%	—	Warner Bros. Pictures ..	16	16½
201	84%	5.00	Westinghouse E. & M. ..	83½	86%
72%	51½	2.40	Woolworth	55%	57

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The opposition among certain officials of the Government to the proposal he considered entirely unjustified.

It is stated that the proposed silver loan will total 100,000,000 ounces of the white metal, not 200,000,000 as originally reported. The annual interest will be two per cent and the money will be handed over to China in five instalments. The loan would be redeemed within 50 years. It was added that a formal proposal regarding this loan will be presented to the Chinese Government as soon as the project has passed the United States Senate. In the meantime, the National Government is preparing to establish a special Commission for the discussion of this important issue. This Commission will include representatives from the Foreign Office, Ministry of Finance, Minister of Railways, Ministry of Industry and Ministry of Communications.

It is predicted that the completed proposal regarding the project will be submitted to the Chinese Government within two months.

The idea of making this silver loan to China is being boosted in the United States by Paul Linebarger. A further suggestion of a remedy to relieve the silver situation is made by Major Arthur Bassett, a director of the British American Tobacco Company who has suggested an amendment to the proposal of the President of the Chase National Bank, whose suggestion was coldly received in America. Major Bassett puts forward the suggestion that the United States should announce willingness to accept payment of war obligations in silver on a basis of two to one under an arrangement by which nations taking advantage of the offer would restore the silver value of their coinages. It is reported that this proposal is being forwarded to the American government and to American interests generally.

A later telegram from *The Review's* correspondent

says that no official negotiations have taken place between Nanking and Washington concerning a silver loan. The Chinese Government has not yet officially discussed the question or expressed a definite attitude on the matter, nor will it take action until the American government makes a definite proposal.

No Negotiations So Far

According to a dispatch from Washington received in Shanghai on Wednesday, March 21, officials of the State Department were quoted as stating that there have as yet been no negotiations with China on the subject of a silver loan. The dispatch stated that the matter of an American silver loan was in an embryonic state, being under consideration of a committee of the United States Senate. Any such loan to be legal would have to receive the approval of both houses of Congress and the signature of the President.

Most of the references to an American silver loan to China have come from an organization known as the International Silver Commission which has its headquarters in Salt Lake City, Utah. According to local information this organization is composed of several small silver producers and certain political interests closely affiliated with the silver industry. The leading silver organization in the United States is the American Silver Producers Association, the leading members of which are smelters, among them being the American Smelting and Refining Company, the American Metal Company and the U. S. Mining, Smelting and Refining Company. Of these organizations, the American Metal Company, has an office in Sassoon House, Shanghai, the local representative being Chester Fritz, a member of the firm of Swan, Culbertson and Fritz, dealers in investment securities.

Exchange Circular for period from Wednesday, 7th January, 1930. to Wednesday, 14th January, 1931.

We were obliged to remark last week that it had been a disastrous one, and we are compelled to call this one more disastrous still. From Thursday until Saturday there was practically an uninterrupted slide in rates, which surprised and dismayed even the pessimists. The new low records will be found below. It appears now that salvation is to be, and can only be attained by International action and agreement. Those who believe that is possible may take comfort: of all the remedies we think that one is the furthest off. The subject is extremely complex and no one can be sanguine. We have repeatedly suggested that Government authorities, immersed in other graver difficulties are not likely to undertake fresh legislation. The history of Governmental Restriction has not been a happy one, and is unlikely to be hastily indulged in. We think that silver must take its course with other commodities, with which the inexorable laws of supply and demand are at present causing such havoc.

Silver:—Opened on the 8th inst. at 13³/₄d. for spot and 14¹/₄d. forward, and G. \$ 0.10, and closed today at 14¹/₄d. and 15³/₄d. respectively, and G. \$ 0.30¹/₂. America and China were reported early in the week as selling then India bought on two days and China both bought and sold.

Exchange:—The official quotation for T/T on London on the 8th inst. opened at 1/4d., and was subsequently lowered twice to 1/3³/₄d. and 1/3¹/₄d.: On the 9th inst. was 1/3³/₄d., and lowered four times to 1/3¹/₄d., 1/3¹/₄d., 1/3¹/₄d. and 1/3, on the 10th was raised to 1/3¹/₄d.: on the 11th to 1/3¹/₄d.: and to day to 1/3¹/₄d.

The market opened on the 8th inst. with T/T on London and New York at 1/4¹/₄d. and G. \$ 31¹/₂: 4m/s Credits at 1/4¹/₄d. and G. \$ 33¹/₄: Yen Cross rate 49¹/₂: Gold Bars 703.50. A consistent and rapid decline took place, one-sixteenth at a time until 1/3¹/₄d. and G. \$ 1¹/₂ were reached at the close, others following suit: the Gold Bar closed at 722.20.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver ... Tls. 103,197,000 a decrease of Tls. 941,000

Chinese and Mexican Dollars \$ 161,160,000 an increase of \$ 2,460,000

Estimated value Tls. 219,222,000 as against Tls. 205,391,000 held at this time last year

†	Average rates for Dec.	Thursday Jan. 8	Friday Jan. 9	Saturday Jan. 10	Monday Jan. 11	Tuesday Jan. 12	Wed. Jan. 14
Bank's selling rates		opening closing	opening closing	opening closing	opening closing	opening closing	opening closing
T/T on London	1/5.490	1/4 1/3 ³ / ₄	1/3 ³ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄
D/Dfts "	—	1/4 1/3 ³ / ₄	1/3 ³ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄
4 m/s "	—	1/4 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄	1/3 ¹ / ₄ 1/3 ¹ / ₄
T/T on India	98.100	90 87 ³ / ₄	87 ³ / ₄ 85	85	87	87	88 ¹ / ₂
T/T on France	900.480	824 80 ¹ / ₂	804 780	780	799	799	812
T/T on N.Y. Demand	35.355	32 ³ / ₄ 31 ³ / ₄	31 ³ / ₄ 30 ³ / ₄	30 ³ / ₄	31 ³ / ₄	31 ³ / ₄	31 ³ / ₄
T/T on Hamburg C. M.		136 132 ³ / ₄	132 ³ / ₄ 128 ³ / ₄	128 ³ / ₄	131 ³ / ₄	131 ³ / ₄	134
T/T on Hongkong	79.54	76 ³ / ₄ 76 ³ / ₄	76 ³ / ₄ nom.	75 ³ / ₄ nom.	76 nom.	76 nom.	76 ³ / ₄ nom.
T/T on Japan	140.480	151 156 ³ / ₄	156 ³ / ₄ 161 ³ / ₄	161 ³ / ₄	157 ³ / ₄	157 ³ / ₄	155 ³ / ₄
T/T on Batavia	8.770	80 ³ / ₄ 78 ³ / ₄	78 ³ / ₄ 76	76	77 ³ / ₄	77 ³ / ₄	79
T/T on Straits	159.020	173 ¹ / ₄ 177 ¹ / ₄	177 ¹ / ₄ 183 ¹ / ₄	183 ¹ / ₄	179 ¹ / ₄	179 ¹ / ₄	176 ¹ / ₄
Bank's buying rates							
4 m/s B/L		1/4 ¹ / ₄	1/4 ¹ / ₄	1/3 ³ / ₄	1/4 ¹ / ₄	1/4 ¹ / ₄	1/4 ¹ / ₄
Cred. & D/A	1.6.450	1/4 ¹ / ₄	1/4 ¹ / ₄	1/4	1/4 ¹ / ₄	1/4 ¹ / ₄	1/4 ¹ / ₄
4m/s B/L D/P	—	1/4 ¹ / ₄	1/4 ¹ / ₄	1/4	1/4 ¹ / ₄	1/4 ¹ / ₄	1/4 ¹ / ₄
6 m/s " B/L	—	1/4 ¹ / ₄	1/4	1/4 ¹ / ₄	1/4 ¹ / ₄	1/4 ¹ / ₄	1/4 ¹ / ₄
Cred & D/A	1/6.700	1/51/4 ¹ / ₄	1/4 ¹ / ₄ 1/4 ¹ / ₄	1/4 ¹ / ₄	1/4 ¹ / ₄	1/4 ¹ / ₄	1/4 ¹ / ₄
4m/s B/F	—	—	—	—	—	—	—
Cred D/A	951.520	860 845	845 825	825	845	845	855
4m/s N.Y. Lc.	37.165	34 33 ³ / ₄	33 ³ / ₄ 32 ³ / ₄	32 ³ / ₄	33 ³ / ₄	33 ³ / ₄	33 ³ / ₄
4m/s " Doc.	—	34 ³ / ₄ 33 ³ / ₄	33 ³ / ₄ 33 ³ / ₄	32 ³ / ₄	33 ³ / ₄	33 ³ / ₄	33 ³ / ₄

† Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Jan. 8	Jan. 9	Jan. 10	Jan. 12	Jan. 13	Jan. 14
Bullion.						
* London Price of Bar Silver per oz. (English Standard 925 touch) Pence						
** New York Price of Bar Silver per oz. (Pure)	13 ³ / ₄	13 ⁷ / ₈	13 ¹ / ₂	13 ³ / ₄	13 ¹ / ₂	14 ¹ / ₈
Shanghai Price of Gold Bars (weight Tls. 10 (Chau-ping) 978 touch)	G. \$ 30	G. \$ 28 ³ / ₄	G. \$ 28 ¹ / ₂	G. \$ 29 ³ / ₄	G. \$ 29 ¹ / ₂	G. \$ 30 ¹ / ₄
Shanghai Silver Bars (weight Tls. 100 (Canton) 999 touch)	Tls. 722 ² / ₀	Tls. 734 ⁰ / ₀	Tls. 727 ⁰ / ₀	Tls. 706 ⁰ / ₀	Tls. 695 ² / ₀	Tls. 706 ⁰ / ₀
Shanghai Mexican Dollars per \$100	Tls. 112 ⁰ / ₀	Tls. 112 ⁰ / ₀	Tls. 112 ⁰ / ₀	Tls. 112 ⁰ / ₀	Tls. 112 ⁰ / ₀	Tls. 112 ⁰ / ₀
Native Bank Rate of Interest (Call money)	72.275	72.125	72.0345	72.15	72.075	72.05
* Closing Price in London for Previous day	1%	1%	1%	2%	2%	2 ¹ / ₂ %
** Closing Price in New York for Previous day ...						

Bank of England rate of discount	3%
Bank of France rate of discount	2%
London open Market of Dis. 3 m	12 ¹ / ₄ %
" " 4 " "	2 ¹ / ₄ %
" " 6 " "	2 ¹ / ₄ %

London on Paris	1/T 123.77
New York on London	T/T 48 ³ / ₄
Bombay on London	T/T 15 ³ / ₄
Hongkong on London	T/T 1/0
Kobe on London	T/T 2/0

FEARON, MAITLAND and SHAW

The National City Co. Gold Bond Quotations Received From Head Office

January 15, 1931.

SECURITY	RATE & DATE DUE	Price	Approx Yield%
The National City Bank of New York	Stock	94	—
City of Antwerp	5 % Dec. 1, 1958	99 ¹ / ₄	5.03
Argentine Government	6 % May 1, 1960	91	6.70
Canadian National Railway Co.	5 % Oct. 1, 1969	105 ¹ / ₄	4.70
Chile Government	6 % Jan. 1, 1961	79 ¹ / ₂	7.77
City of Vienna	6 % Nov. 1, 1952	84 ¹ / ₄	7.44
City of Yokohama	6 % Dec. 1, 1961	96	6.30
German General Electric (A. E. G.)	6 % May 1, 1948	84	7.68
German Central Bank for Agriculture	6 % Apr. 15, 1938	82 ¹ / ₄	9.29
Greek Government	6 % Feb. 1, 1968	85 ¹ / ₄	7.08
Japanese Government	6 % Feb. 1, 1954	104	6.17
Kingdom of Italy	7 % Dec. 1, 1951	95 ¹ / ₄	7.44
Lautaro Nitrate Co., Ltd.	6 % July 1, 1954	51 ¹ / ₄	12.39
Nord Railway Co.	6 ¹ / ₂ % Oct. 1, 1950	105 ¹ / ₄	bid 6.00
Norwegian Hydro-Elec. Nitrogen Corp.	5 ¹ / ₂ % Nov. 1, 1957	98 ¹ / ₄	5.59
Oriental Development Co.	5 ¹ / ₂ % Nov. 1, 1958	90	6.26
Paris - Lyons - Med. Railroad Co.	7 % Sept. 15, 1958	107	6.45
Republic of Costa Rica (Pacific Rwy)	7 ¹ / ₂ % Sept. 1, 1949	75	10.56
Republic of Finland	5 ¹ / ₂ % Feb. 1, 1958	82 ¹ / ₄	6.92
Republic of Peru	6 % Dec. 1, 1960	38 ¹ / ₄	—
Rhine Westphalia Electric Power Corp. w.w.	6 % Aug. 1, 1953	77 ¹ / ₄	8.21
Saxon Public Works	6 ¹ / ₂ % May 1, 1951	73 ¹ / ₄	9.41
Saxon State Mortgage Institution	6 ¹ / ₂ % Dec. 1, 1946	79	9.00
Toho Electric Power Co. (Japan)	6 % Dec. 1, 1960	99	6.07
Tokyo Electric Light Co. (Japan)	6 % June 15, 1953	87 ¹ / ₄	7.12
Ujigawa Electric Power Co. (Japan)	7 % Mar. 15, 1945	99 ¹ / ₄	7.01
U. S. of Brazil	6 ¹ / ₂ % Oct. 15, 1957	67 ¹ / ₄	9.99
Anaconda Copper Mining Co.	Common Stock	32 ¹ / ₄	—
Baltimore & Ohio Railroad Co.	Common Stock	77 ¹ / ₄	—
Belgian National Rwy. Peptg. Pfd. Stock	6 % (Amn. Shares)	81	—
Pennsylvania Railroad Co.	Common Stock	59 ¹ / ₄	—
Standard Oil Co. of New York	Common Stock	24 ¹ / ₄	—
United Aircraft & Transport Corp.	Common Stock	25 ¹ / ₄	—
Vacuum Oil Co.	Common Stock	57	—
Chicago Rapid Transit Co.	6 ¹ / ₂ % July 1, 1944	81	9.21
Cuban Dominican Sugar Corp.	7 ¹ / ₂ % Nov. 1, 1944	16	—
Pennsylvania - Dixie Cement Corp.	7% Cum. Pfd. Stock	30	—
State of Minas Geraes Series "A"	6 ¹ / ₂ % Sept. 1, 1959	55	—

QUOTATIONS RECEIVED FROM LONDON OFFICE

Republic of China Gold Loan	5 % 1925	71	—
Chinese Govt. Re-org. (f) Loan Stamped	5 % 191360	66 ¹ / ₄	—
Chinese Govt. Re-org. (f) Loan Unstamped	5 % 191560	64 ¹ / ₄	—
Chinese Govt. (Crisp Loan)	5 % 1912	52 ¹ / ₄	—
Shanghai Nanking Railway	5 % 1904/08	59	—
Shanghai Hangchow Ningpo Railway	5 % 1908/38	78	—
Hukuang Railway	5 % 1911/1951	30 ¹ / ₄	—
Tientsin Pukow Railway	5 % 1908/09	83	—

NOTE: The above quotations are received by cable, and whilst believed to be correct, are not guaranteed.

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SOMERVILLE, December 9. (Agents: O. Thoresen & Co.) From U. S. of America. Herrings, Salt <i>Pis.</i> 420 Flour, Wheat " 3,087 Oil, Lubricating, Mineral <i>Galls.</i> 81,582 Timber, Softwood: Ordinary, Sawn... <i>Sup.ft.</i> 400,108 Piling " 52,408 Clear " 77,168 Merchantable " 24,297	Tea, Green: Young Hyson, Hangchow <i>Pis.</i> 115 Hyson, Hangchow..... " 245 Gunpowder, Ningpo... " 551	TATSUTA MARU, December 19. (Agents: Nippon Yusen Kaisha.) From U. S. of America. Paper, Wall <i>Pis.</i> 20 Cigarettes <i>Milles</i> 2,270	Grease: Tobacco, Leaf " 1,854 Wax, Paraffin " 842 Oil, Kerosene, in bulk <i>Galls.</i> 105,947 Oil, Lubricating, Mineral.. " 18,955
LEISE MAERSK, December 9. Agents: Rioka Soko Kabushiki Kaisha. From U. S. of America. Iron and Steel, Ungalvanized: Nails, Cut..... <i>Pis.</i> 360 Tinned Plates, Plain... " 1,410 Tinned Plates, Scraps.. " 1,275 Tinned Plates, Strips.. " 525 Iron and Steel, Galvanized: Wire Shorts " 346 Ink, Printing " 33 Paper, Blotting " 10 Paper, Printing..... " 28 Paper, Writing..... " 98 Tobacco, Leaf " 6,899 Turpentine, Vegetable... <i>Galls.</i> 291 Enamelled Ironware... <i>G. Units</i> 14,934 Motor-cars, Parts of..... " 3,025	EMPRESS OF CANADA, Dec. 15. (Agents: Canadian Pacific R'y Co.) From U. S. of America. Cobalt, Oxide of <i>Pis.</i> 4	TAKAOKA MARU, December 19. (Agents: Nippon Yusen Kaisha.) To U. S. of America. Tea, Black, Hankow... <i>Pis.</i> 347 Antimony, Regulus " 420 Brassware " 6 Bags, Gunny, Waste ... " 878	PRESIDENT ADAMS, Dec. 22. (Agents: Robert Dollar Co.) From U. S. of America. Cotton, Raw: American <i>Bls.</i> 600 <i>Pis.</i> 2,183 Cotton Thread, Embroidery " 6 Fish, Dried " 17 Fruits, Dried " 184 Canned Fruits " 60 Ink, Printing " 42 Indigo Paste, Artificial: 20 per cent. strength... " 1,400 Indigo Grains, Artificial: 60 per cent. strength " 40 Oranges, Fresh..... " 68 Newspapers, Old " 756 Petrolatum " 74 Raisins " 62 Sulphur Black " 412 Chocolate..... <i>Lb.</i> 2,248 Coffee " 288 Rubber Tires, Pneumatic: For Motor Cars & Trucks <i>Pcs.</i> 944 Rubber Inner, Tubes: For Motor Cars & Trucks " 460 Motor-cars, Parts of..... <i>G. Units</i> 8,368 Dyes, Aniline... <i>Pigs.</i> 396 " 35,934
WALESE MARU, December 10. (Agents: Showa Shipping Co.) From U. S. of America. Iron, Old <i>Pis.</i> 193 India-Rubber, Old " 75 Tobacco, Leaf " 1,562	MICHIGAN, December 16. (Agents: States S. S. Co.) From U. S. of America. Timber, Softwood: Ordinary, Sawn..... <i>Sup.ft.</i> 513,595 Round Logs " 1,078,250	GOLDEN PEAK, December 19. (Agents: States S. S. Co.) To U. S. of America. Silk Pongees, Honan..... <i>Pis.</i> 41,30 Hair, Human " 69 Cotton Rags..... " 46 Oil, Wood " 4,620 Seed, Sesamum..... " 25,964	TAIAN MARU, December 23. (Agent: Nippon Yusen Kaisha.) To U. S. of America. Silk, Waste: Shanghai..... <i>Bls.</i> 25 <i>Pis.</i> 78,01 Antung..... " 37,65 Antimony Regulus " 2,153 Bristles, Assorted " 15
PRESIDENT GRANT, Dec. 12. (Agents: Robert Dollar Co.) From U. S. of America. Cotton, Raw: American..... <i>Bls.</i> 550 <i>Pis.</i> 1,265 Barley, Pearl " 28 Flour, Wheat " 735 Canned Fruits " 38 Fruits, Dried..... " 19 Ink, Printing " 24 Milk, Condensed..... " 27 Soda, Ash..... " 840 Lemons, Fresh..... <i>Lbs.</i> 27,450 Motor-cars " 3 Rubber Tires, Pneumatic: For Motor Cars & Trucks " 65 Canned Sardines..... <i>Dos.</i> 1,300	PRESIDENT LINCOLN, Dec. 16. (Agents: Robert Dollar Co.) From U. S. of America. Tinned Plates, Plain..... <i>Pis.</i> 868 Apples, Fresh " 453 Flour, Wheat " 713 Herrings, Salt " 47 Timber: Laths..... <i>Pcs.</i> 100,000 Softwood: Ordinary, Sawn..... <i>Sup.ft.</i> 299,789 Baking Powder..... <i>Dos.</i> 192	HEIAN MARU, December 20. (Agents: Nippon Yusen Kaisha.) To U. S. of America. Silk, Raw, Filature: Wild, Dairen..... <i>Bls.</i> 30 <i>Pis.</i> 31,44 Hair, Human " 68	HAVANA MARU, December 24. (Agents: Osaka Shosen Kaisha.) To U. S. of America. Silk, Waste: Antung..... <i>Bls.</i> 9 <i>Pis.</i> 27,09 Tea, Black, other kinds, Foochow " 42 Antimony, Regulus " 840 Cotton, Waste " 199 Egg Albumen, Dried..... " 41 Oil, Tea " 308 Oil, Wood " 5,040 Seed, Sesamum..... " 218
TAISHAN, December 12. (Agents: Dodwell & Co.) From U. S. of America. Linen <i>Yds.</i> 9,738 Cotton, Embroidery <i>Pis.</i> 4 Iron and Steel, Ungalvanized: Tinned Plates, Plain... " 1,680 Cotton, Raw: American..... <i>Bls.</i> 500 " 1,775 Indigo Paste, Artificial: 20 per cent. strength " 858 Newspapers, Old " 1,500 Tobacco, Leaf " 9,633 Tobacco, Stalk..... " 1,515 Machines, Sewing <i>Pcs.</i> 2 Motor-truck Chassis..... " 8 Oil, Lubricating, Mineral <i>Galls.</i> 13,690 Dyes, Aniline <i>Pigs.</i> 171 <i>G. Units</i> 11,781	WISCONSIN, December 17. (Agents: States S. S. Co.) From U. S. of America. Flour, Wheat <i>Pis.</i> 492 Milk, Condensed..... " 720 Paper, Kraft " 163 Paper, Bond..... " 297	SILVERASH, December 20. Agents: Glen Line Eastern Agencies, Ltd. From U. S. of America. Cotton, Raw..... <i>Bls.</i> 6 <i>Pis.</i> 21 Gum Resin " 4,324 Indigo Paste, Artificial: 20 per cent. strength " 2,157 Petrolatum " 49 Tobacco, Leaf " 11,732 Cigars <i>Milles</i> 15	PRESIDENT GRANT, Dec. 24. (Agents: Robert Dollar Co.) To U. S. of America. Silk, Raw, Re-reeled: White, Soochow <i>Bls.</i> 60 <i>Pis.</i> 59,02 Silk, Raw, Steam Filature: White, S'hai... <i>Bls.</i> 65 " 64,55 White, Soochow <i>Bls.</i> 30 " 30,52 Yellow, Chungking " 10 " 10,00 Silk, Raw, Reeled from Doupons: Shanghai..... <i>Bls.</i> 65 " 63,99 Silk Piece Goods " 1,20 Tea, Green: Gunpowders Ningpo... " 219 Young Hyson, Hangchow " 195 Antimony, Regulus " 1,260 Brassware " 15 Feathers, Duck..... " 75 Egg, Whole Egg, Dried... " 138 Hair, Human " 35 Interestines, Sheep " 3 Walnuts, Kernels " 103 Skins, Dog, Dressed... <i>Pcs.</i> 2,000 Skins, Rabbit, Untanned " 17,000 Skins, Lamb, Untanned... " 5,312
ARABIA MARU, December 13. (Agents: Osaka Shosen Kaisha.) To U. S. of America. Silk, Raw, Reeled from Doupons: Shanghai <i>Bls.</i> 20 <i>Pis.</i> 18,72 Silk, Waste: Shanghai <i>Bls.</i> 31 " 99,82 Egg Albumen, Dried..... " 252 Oil, Wood " 3,900	PRESIDENT JEFFERSON, Dec. 17 (Agents: Robert Dollar Co.) To U. S. of America. Silk, Raw, Steam Filature: White S'hai..... <i>Bls.</i> 45 <i>Pis.</i> 44,17 Yellow, Ichang... <i>Bls.</i> 30 " 31,58 Silk Pongees, Honan ... " 234,21 Tea, Green: Gunpowder, Ningpo... " 649 Hyson Hangchow..... " 378 Young Hyson, Hangchow " 74 Antimony Regulus " 504 Brassware " 41 China ware, Fine " 13 Egg Albumen, Dried..... " 24 Egg Yolk, Dried..... " 84 Hair, Human " 47 Hats, Hemp..... <i>Pcs.</i> 6,120 Skins, Poay, Raw " 680 Skins, Moufflon, Dressed " 1,352 Skins, Lamb, Untanned... " 2,000	ROSEVILLE, December 20. (Agents: O. Thoresen & Co.) To U. S. of America. Egg Albumen, Dried..... <i>Pis.</i> 252 Egg Yolk, Dried " 192 Brassware " 88 Bristles, Assorted " 51 Cotton Waste " 38 Feathers, Duck..... " 71 Feathers, Goose..... " 11 Seed, Sesamum..... " 31,069 Woodware " 9 Wool, Sheep's " 1,247	JASON, December 20. (Agents: Butterfield & Swire.) From U. S. of America. Iron and Steel, Ungalvanized: Tubes <i>Pis.</i> 479 Tinned Plates, Plain... " 91 Iron and Steel, Galvanized: Hoops " 102 Tubes " 246 Pipe Fittings..... " 125

Chinese Government Railways

Shanghai-Nanking and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Shanghai-Nanking Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the "*Garden City of the Orient*", Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the "*Gate of the Yangtze River*", and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the "*Switzerland of China*". Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

The vital necessity of knowing and understanding!

WHO'S WHO IN CHINA

One would not think of residing in, or doing business on a large, or even moderate scale, in any country without making a serious effort to know and understand the political, business, financial and professional leaders of that country. This is particularly true of China where shifting political and economic conditions are always linked up with individuals who thus exercise tremendous influence upon the course of events.

As a direct result of the desire to know the individuals who are leaders of affairs, private and governmental, there has been published in practically every country a book popularly known as "Who's Who," which contains biographical sketches of the great and near-great. Thus we have "Who's Who in America," "Who's Who in Great Britain," "Who's Who in Japan," Germany, France, Italy, and so on.

The compilation of a "Who's Who in China," containing the pictures and biographical sketches of political, business, financial and professional leaders of China in the English language, was started in 1917, some thirteen years ago. The first volume, published in 1918, contained only 59 biographical sketches, but the second volume, published in 1920, contained 153. Since that time the book has grown until the volume published in 1926-1927 contained more than 500 biographical sketches. In 1928 a supplement was issued containing more than 100 sketches of new leaders, chiefly these who emerged as a result of the Nationalist Revolution which brought new figures to the helm in both business and politics.

Work has now started on the 1930 edition, which will be the most ambitious publication of the kind ever attempted in Asia. It will be all-inclusive in that it will include a complete record of all leaders in the country in the fields of politics, business, finance and the professions. It will be well bound, printed on good paper stock, 8-in by 10½-in, of more than 1,000 pages, and will be a welcome addition to any business office or home library.

The value of this book will immediately be realized by all foreigners as well as Chinese who are interested in the commercial, financial and political affairs of China, due to the vital necessity of knowing intimately the men who are directing the affairs of contemporary China.

Owing to the heavy expense of publication, it is necessary to know as far as possible, how many copies will be desired by the public, hence this offer of a reduced price to advance subscribers of \$10 a copy, the price after publication being \$12, (Chinese Currency).

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NOTE: *In case they are not already included, I would recommend the inclusion of the biographies of the following Chinese in the forthcoming edition of "Who's Who":—.....*

.....



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